

SENATE—Wednesday, June 7, 1989

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

"Faith of our fathers, living faith, we will be true to Thee til death."

Mighty God, sovereign Lord of history, Supreme Ruler of the nations, help us to comprehend the profound significance of present events. Yesterday, our leadership officially opened displays celebrating two centuries of our unprecedented political system. Simultaneously, we see the bankruptcy of a political system barely four decades old. Democracy flourishes, communism fails. Two systems, one based on the belief that "all men are created equal and are endowed by their Creator with certain unalienable rights. To secure these rights governments are instituted among men, deriving their just powers from the consent of the governed." The other system based upon the belief that religion is the opiate of the people and atheism, which forbids faith and punishes.

Grant to us, gracious God, the wisdom to see the fundamental difference between these two systems—and help us not to allow our freedom of religion to become antireligion. Help us to hear the penetrating question of Thomas Jefferson engraved on the wall of his memorial: "Can the liberties of a nation be secure when we have removed the conviction that those liberties are the gift of God?" Forbid it, Lord, that we who enjoy this treasured political legacy should sacrifice it by indifference to a just God, faith in whom generated that priceless legacy. Renew in us our commitment to the faith of our fathers.

In His name who is truth and justice. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 7, 1989.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning following the time for the two leaders, there be a period for the transaction of routine morning business, not to extend beyond 10:45 a.m., with Senators permitted to speak therein for up to 5 minutes each.

At 10:45 a.m., the Senate will recess subject to the call of the Chair. The purpose of the recess is so that Senators may join House Members to hear an address by Prime Minister Bhutto of Pakistan in the House Chamber at 11 o'clock this morning.

Once that joint meeting has concluded and the Senate reconvenes, the Senate will resume consideration of the supplemental appropriations bill, H.R. 2072.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, it is my intention to complete action on H.R. 2072 today. The only amendments remaining are the Mitchell perfecting amendment to the underlying McCain amendment on the catastrophic health issue, and the Helms amendment on Namibia, which has a 20-minute time limitation.

Upon disposition of these remaining amendments, the Senate will proceed to final action on the supplemental appropriations bill. Therefore, Senators

should be on notice that there will be rollcall votes this afternoon.

RESERVATION OF LEADERSHIP TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time. I also reserve the leader time for the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. The time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10:45 a.m., with Senators permitted to speak therein for not to exceed 5 minutes.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I ask unanimous consent that I may proceed for 15 minutes under morning business for the purpose of giving a eulogy to Senator Warren G. Magnuson.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Washington is recognized for 15 minutes.

TRIBUTE TO WARREN GRANT MAGNUSON

Mr. ADAMS. Mr. President, I rise this morning in tribute to Warren Grant Magnuson, who represented the State of Washington in the U.S. Senate from January 2, 1945, until January 2, 1981.

Our beloved Maggie died quietly and peacefully in his home in Seattle on Saturday morning, May 20, 1989. He is survived by his wife Jermaine Elliott Magnuson, his daughter Juanita Garrison, and grandchildren Leslie Jermaine Garrison and Donald D. Garrison, Jr.

Warren Magnuson leaves us a legacy of public service and dedication to the best interest of our Nation that is unmatched.

I would like to share with my colleagues some of the highlights of his career. But even more important I would like to speak to the essence of the man. The comity that Warren Magnuson so well embodied is one of the great strengths of the U.S. House of Representatives and the U.S. Senate. And Warren Grant Magnuson epitomized that as much as any statesman in our history.

Warren Magnuson had been a part of the United States tapestry of history since he was born in Moorhead, MN, in 1905. He was orphaned as an infant, and was adopted by William and Emma Anderson Magnuson. His early years were spent in Moorhead where he attended public schools, as well as in Fargo, ND. After briefly attending North Dakota State College, Warren Magnuson hopped a freight train, went West and arrived in Seattle, WA.

That was an important delivery the trains made because he then adopted the State of Washington as his new home and for more than 50 years served it in a variety of public positions. He changed the face of our State during a long public career, nurtured it through critical phases of development and left it a better place for his having lived there.

It is fitting that this year, as Washington State celebrates the centennial of its statehood, we should also celebrate the extraordinary accomplishment of Warren Magnuson who dominated public life for the one-half of our State's first 100 years.

Warren Magnuson graduated from the University of Washington in 1926, with a bachelor of arts degree and later earned his Juris Doctor degree from the law school in 1929.

Many people do not know that he left Seattle, at this point, and took a freighter to China where he spent several years. He was there during the years of turmoil and this stayed with him all of his life. I can remember in 1956 when everyone hated Red China. Warren Magnuson comforted me after I made a speech that said we should trade with Red China. I appreciated his coming out not only strongly for trade with Red China, at that time, but for standing with me in those difficult days.

He was truly a man of vision and, as shown in many historical clips now being run on our television stations, he was preparing a trip to China at the same time as President Nixon.

Warren Magnuson's early civic service included being editor of the Seattle Municipal News, and subsequently Secretary of the Seattle Municipal League.

He was elected to the State House of Representatives in 1932. His committee assignments included chairmanship of the Committee on Unemployment Relief, and membership on the

Constitutional Revision, Judiciary, and the Revenue and Taxation Committees.

Even then Warren Magnuson clearly provided evidence of his care and concern for working people that would mark his entire career.

He sponsored legislation that led to this country's first workmen's compensation system.

I can remember stories, Mr. President, during the Boeing crash of 1969, when Warren Magnuson sought and obtained in the Senate extended unemployment benefits for workers who were laid off at Christmas. We could not pass it in the House. But after his conversation with Wilbur Mills it passed. There are stories that he greeted the chairman of the Ways and Means Committee by saying "Orville, how are you?"

And we were horrified because we thought "Oh, my gosh, he has forgotten it is Wilbur."

We later learned Warren Magnuson never forgot anything. Wilbur Mills had always wanted to be called Orville. But his brother got the name, and only Magnuson would know this from years and years of experience.

Magnuson's help in extending unemployment benefits was essential. It gave many people in the State of Washington, who were out of work, an opportunity to get another job.

I know that I, for one, will never forget this small act of kindness that affected many people.

Warren Magnuson had a broad career and I have enjoyed, over the years, talking with him. For example, many people do not know that for a while he was an assistant U.S. attorney. He was later elected as King County Prosecuting Attorney in 1934. He served in that capacity, trying major felony cases, until his election to the U.S. House of Representatives in 1936. He was reelected to Congress from the First District in 1938, 1940, and 1942. His committee assignments in the House included Naval Affairs, 1937-44, the Select Committee to Investigate the Federal Communications Commission, 1943-44, and the Select Committee on Post-War Military Policy, 1944. As a graduate of naval reserve officer's training at the University of Washington, Warren Magnuson was on active duty during World War II, serving in the Judge Advocate General's Corps with the rank of lieutenant commander. He was on the staff of Adm. Chester Nimitz in the Pacific Theater, and was aboard the U.S.S. *Enterprise* during the famous Tokyo raid of 1942.

In 1944 Warren Magnuson was elected to the U.S. Senate, and was reelected to serve in this body on five subsequent occasions. His committee assignments included Judiciary, 1945-52, Naval Affairs, 1945-46, Territories and Insular Affairs, 1945-46, Inter-oceanic

Canals 1945-46, Appropriations, 1953-81, Aeronautical and Space Sciences, 1959-74, Budget, 1975-81, and Commerce, 1945-81. At the time of his retirement from the Senate, Warren Magnuson had served in this Chamber for 36 years. In the 200-year history of the U.S. Senate, only a handful of individuals have served longer. His service as chairman of the Senate Commerce Committee spanned 23 consecutive years, a singular record that he alone holds that may well stand for decades to come. His last legislative chairmanship was that of the Senate Appropriations Committee, and he was also President pro tempore of the U.S. Senate.

In addition to his legislative duties, Warren Magnuson served numerous 2-year terms as a member or Chairman of the Board of Visitors to the U.S. Naval Academy, Coast Guard Academy, and Merchant Marine Academy. He was on the Advisory Board to the National Fisheries Center and Aquarium, 1963-74, and represented the U.S. Senate on the National Commission on Fire Prevention and Control, and the U.S. Commission on Consumer Product Safety.

Mr. President, in the years that came between his first legislative position at the State level in Olympia, WA, and his final duties here in our Nation's Capitol, Warren G. Magnuson left a legislative record unmatched in history.

I remember when Mr. Avery Brundage, who tended to be a little pompous, came before the Commerce Committee. Mr. Magnuson greeted him by saying "And now I want to introduce to you Mr. Average Bundy." It sort of fit. Everybody thought he had forgotten his name. I guess he did after a malapropism. But it certainly fit and it reduced the size of the witness.

There are hundreds of stories like this. I wish I had more time this morning to tell them, I have enjoyed them. They give a richness and a depth to this Senator that we can all appreciate.

He was a seatmate of Lyndon Johnson and they were close friends. Warren Magnuson and Jermaine were married in the White House with Lyndon Johnson as his best man.

I state some of these small things while describing his magnificent legislative record because too often, Mr. President, I think we forget that the people here who serve in Congress are very human. They are good people. They live lives like every other citizen. They serve their country in war and in peace to the best of their abilities.

Mr. President, Warren Magnuson left a legislative history that is unmatched in our State. He was, of course, mindful of the fact, as western Senators have to be, that a relatively small State in the far northwestern

corner of this continent needs all the friends it can get in the corridors of the Congress. He always considered himself obligated to see that his State received a "fair advantage" from his work.

With the force of his personality—which was quiet—and the warmth and charm he distributed on a nonpartisan basis, Warren Magnuson made friends, influenced people, and brought Federal assistance to his State for more than four decades.

We remember him as a quiet builder of bridges, hydroelectric projects, health centers, highways, and world fairs, which all directly benefited the State of Washington.

President Kennedy told the famous little story. "Warren Magnuson was a quiet man. We never were sure what he was doing on the floor. But I remember one day he mumbled a little, coughed, and said 'This isn't controversial and we should pass it unanimously,' and Grand Coulee Dam was created."

I think that story, whether it is apocryphal or not, represents very well how Warren Magnuson was treated, respected, loved, and how he worked in this body.

Mr. President, Warren Magnuson was also a statesman who knew that his duties in the U.S. Senate carried with them an obligation to look out for the best interests of all the citizens of this country. He took the lead, as a freshman Congressman, in establishing a Federal role in the fight against cancer culminating in the establishment of the National Cancer Institute; he called for the diplomatic recognition of mainland China nearly 25 years before that vital step was taken by our Government; he sponsored voting rights for 18-year-olds and pushed the public accommodations section of the Civil Rights Act of 1964 through his committee; he wrote landmark consumer protection legislation and laws affecting auto safety and environmental quality. It is safe to say that virtually every aspect of American life has been positively impacted by the legislative career of Warren G. Magnuson.

Mr. President, Warren Magnuson leaves a legacy to those of us who now serve in the U.S. Senate. In many ways, it is a legacy that far outshines a brilliant legislative record. He left behind a legacy of kindness and compassion and care for his fellow man. There was a special quality about Maggie that many of us in this Chamber remember. He had the ability to separate today's legislative effort from yesterday's battle. He never had an unkind word to say about any Member in this institution. He respected his colleagues on both sides of the aisle, valued their friendships, looked forward to the opportunity to be of assistance when possible.

There are few Senators who loved the rich history and tradition of the U.S. Senate as much as Warren Magnuson.

I am deeply honored to have followed Warren Magnuson to the U.S. House of Representatives, representing the citizens of Seattle and now to serve in the U.S. Senate in the seat he once occupied. Ours was a friendship that endured over many years. I considered him to be something of what our family calls a Norwegian uncle, always available with sage and practical advice when asked, and frequently there with words of encouragement when needed.

Mr. President, even in the last weeks of his life, at 84 years of age, Maggie remained passionately interested in the issues affecting his State.

Just before passing he wrote to me and asked that I renew his battle for double-bottomed tankers. We had fought this battle 15 years ago. And I submitted his testimony before the Senate Commerce Committee—just before he died.

He also reminded me that our State has three major resources that make it different than any other State: the snow-capped mountains of the Olympics and Cascades, the Great Columbia River, and the beautiful and pristine waters of Puget Sound.

Mr. President, our State was fortunate to have a fourth resource and only his genuine modesty kept him from recognizing it. That asset was a kind and gentle man who always considered himself the champion of the little guy. A man who walked with the great and powerful, played cards with Presidents, participated for many years in the great debates and deliberations of this, the greatest deliberative body in the world. Through it all he never forgot his humble roots nor lost his appreciation for the everyday concern of everyday people.

Warren G. Magnuson was an asset to the State of Washington that we will never be able to replace. His life and distinguished career are a tribute to the opportunities that exist in a democratic society and provide proof that some nice guys finish first.

Mr. President, I ask unanimous consent that a brief selection of editorial comments from newspapers around the State of Washington be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

MAGGIE 1905-1989—A FORMER AIDE BIDS FAREWELL TO "THE CHAMPION OF THE LITTLE GUY"

I had hoped to see him one last time, to say goodbye and thank him for all that he had done for me over the years. The word had been passed quietly among his network of "bumblebees," the former staffers whose lives and careers had been enriched by the pleasure of his company; time was running out. A long Friday night flight home from

Washington, DC, provided time to reflect on the many memories, anecdotes, and stories that formed the mosaic of my life with Warren Magnuson. But, like a novel that was just too good to put down, I could not bear to think about having him leave us. Early Saturday morning he was gone.

I wanted to sit with him for a few final hours, perhaps to read him a few poems from the multiple-volume set of the collected works of Robert W. Service that sat on a shelf in his library. Even those books had their own "Maggie story." He bought them from a traveling salesman at a small hotel somewhere in Alaska during one of his many trips north in 1938, when as a member of the U.S. House of Representatives he chaired the Alaska International Highway Commission. He always loved to talk of those early days, and he could recite Service's tales of the frozen north with a feel for the words that made you think you were there.

Forty years later, a former colleague passed through Seattle in fruitless pursuit of the presidency. Gary Hart said what he missed most about the end of the Magnuson era was those long afternoons in the secretary of the Senate's office, hearing Service's poems recited over drinks and good cigars. Dan McGrew, Sam McGee, and the lady of the streets who became My Madonna—all came to life in the haze of blue smoke, Magnuson's twinkling eye, and the flawless recitations. The famous malaprops and fractured language were for some other audience and some other time.

For a boy growing up in Seattle in the early 1950s, Senator Warren Magnuson was a larger-than-life myth before he became an employer, a mentor, and, later still, a dear and cherished friend. My grandmother's admonition, "Always vote for Magnuson, never vote Republican," became a personal nursery rhyme that rivaled anything Mother Goose had to offer. Theirs was a mutual admiration that predated my birth. Late in his career, the senator referred to her as "an old FDR political boss who could deliver all of West Seattle with a single phone call." He shook his head and told me he never expected to have three generations of supporters, and I told him that the Irish like to back winners.

"Presidents," he would say, with a wave of the hand toward the autographed photos on his wall, "they come, they go." So did colleagues, friends, favorite restaurants, and other mileposts in a life. It seemed as though the only constant was this shy man with the awesome power and a girl's first name.

He gave me a job in Washington, DC, in June of 1970, running an elevator in the United States Senate. It was one of those patronage positions that were the spoils of majority status and seniority, and I was one of several state residents who worked their way through law school that way. Watching the titans of a passing era—Fulbright, Symington, Russell—was like being a bat boy at Yankee Stadium in the days of Ruth and Gehrig. There was a thrill in just being there, and paying for a law school education seemed only an incidental benefit that came from watching Warren G. Magnuson, the senior senator from Washington, in his natural habitat. It was the time when he pushed landmark consumer legislation through the Senate and challenged the Nixon administration to do more and spend more to make this a more just and compassionate society. Being identified as one of "Maggie's boys" was a Senate credential

that mattered then, and it still matters today.

When the country decided to "Vote Republican for a Change" in the Reagan Revolution of 1980, Magnuson was swept from office after almost four decades, along with nearly a dozen lesser Democratic senators. I doubt that any politician will ever display such style, and grace as he showed, through the pain, on that sad election night. "There's a time to come and a time to go," he told the tearful volunteers gathered at his campaign headquarters. Then he placed a congratulatory phone call to Slade Gorton, the man who had repeatedly insisted that a party and a senator responsible for a \$37 billion deficit didn't deserve to be in power any longer.

When Magnuson's involuntary retirement and return to private life was a painful yet dignified effort. I watched with growing admiration as he battled failing health, spoke out against the mindless dismantling of the New Deal programs he had nurtured all those years, and encouraged Seattle voters to tax themselves to shelter the elderly and the homeless. He vowed to be, not a lame duck, but an old rooster who would keep on crowing, and he kept that promise right up to the end. Just two weeks before he left us, the fax machine in the DC office of Senator Brock Adams received his last public interest effort: a plea to the Senate to hold the American oil cartel responsible for failing to keep a promise to ship Alaskan crude oil in double-bottomed tankers.

How can one accurately measure the impact he had on the life of his state and nation? The bricks and mortar that bear his name, the bridges and buildings, the laws he passed, all are really but a small, visible sign that he passed this way once. He would modestly insist, "I had plenty of help," or, "We worked together and did those things."

There is, more significantly, the hidden legacy of a modest man, the measure of which cannot be taken in simple terms of dollars spent, jobs created, or legislative battles fought and won. How many children were spared the agony of burned and blistered flesh because of his interest in flameproof sleepwear? How many lives have been saved and lengthened because of his career-long effort to secure funding for cancer research and safer automobiles? How many oil spills were prevented in Puget Sound because of his "little amendment" to a law protecting marine mammals? Senator Warren Magnuson should be remembered and appreciated for the things that did not occur, as a result of his efforts.

As one whose own life was enriched beyond description by the time I spent with him, I confess to a lack of objectivity in evaluating this special human being. Listen instead to the words contained in the *Almanac of American Politics* for 1980, his last year in the Senate:

Magnuson has never been an accomplished orator, and he is now past 70, but he still knows how to use the letters of legislative power. With his seniority and experience he has the operating style of one of those Southern senators of yore, but he uses it to far different purposes. Magnuson has always seen himself as the champion of the little guy, and despite the close relations one in his position inevitably has with business lobbyists, he has remained true to that vision. Long before Ralph Nader he was effectively pushing consumer legislation on the Commerce Committee. . . . He also has a reputation in the Senate for practicality and sound judgment. When he puts his

name on a bill and attaches his imprimatur to a cause, that is a sign to others that practical, pragmatic men had better give it serious consideration.

In the 1980s' era of C-Span politicians, with the floor of the United States Senate converted to a television studio, the man and the institution may have outlived their need for each other. After all, he liked to point out that if you had the votes, you didn't need to make a speech, and if you needed to make a speech, you didn't have the votes. But the timeless quality of his vision, and his uncanny ability to see the right side of the great issues of the day, will assure him a place in history long after the celluloid senators have faded away.

As the lucky citizens of the state he served so long and so well, we can cherish the memory of the orphan boy who rode the rails West, sailed to Shanghai, and put his mark on the politics of our state forever. Horatio Alger was a myth; Warren Magnuson was real.

I trust that heaven has a place called the Malamute Saloon. Last Saturday, a shy stranger shuffled in and asked the boy at the piano to play an old favorite, "Won't You Come Home, Bill Bailey?" He ordered a drink from the lady at the bar—two fingers of vodka with a splash of water and "just one or two pieces of ice, please." Then he sat down at a poker table with Harry Truman, FDR, and the best man from his wedding—LBJ. He said, "It's been quite a journey, and I've got a few stories to tell, but we better get in a few hands of cards before the Preakness is run this afternoon. I'll bet it will be some race."

In the blue cigar-smoke haze of his first day there, you can bet that some former president said, "Maggie, we've been telling your story for many a year, but we never could get it quite right. And the fun didn't start until you got here."

Goodbye, Senator. Thank you for everything.

[From the Seattle Post-Intelligencer, May 26, 1989]

SOME FOND FAREWELLS

Warren G. Magnuson would have been pleased to know there was laughter at his funeral.

The solemnity of the occasion, in the formal surroundings of Seattle's St. Mark's Cathedral, which was filled to overflowing yesterday, was gently broken by the late Senator's friends and former colleagues in brief eulogies.

Sen. Mark Hatfield, R-Ore., said "Maggie wrote the book on bringing home the bacon. He'd say, 'What's good for Washington is good for Oregon. . . now, here's two for me, one for you.'"

Rep. Norm Dicks, D-6th District, called himself and others "graduates of the Warren Magnuson School of Government."

Sen. Brock Adams, D-Wash., in particularly moving remarks, called Magnuson "a quiet builder" who "never lost the common touch and the love of everyday people."

Rep. Tom Foley, D-5th District, said Magnuson, who died last Saturday at 84, was proudest of such things as establishment of the National Institute of Health and National Science Foundation, environmental protection and protection of children from hazardous products and materials.

Foley said Magnuson's career was a "marvelous example of how public power can be linked to public good."

Sen. Daniel Inouye, D-Hawaii, recalled that Magnuson asked him to support feder-

al appropriations for the state following the 1980 Mount St. Helens eruption. Inouye said he told Magnuson, "But Senator, we have volcanic eruptions in Hawaii all the time." "Don't worry," replied Magnuson, "your day will come."

Inouye forecast "it will be a merry time" when Magnuson answers "the roll call in Heaven."

Indeed it will. And perhaps now Washington state can look forward to an extra appropriation of divine beneficence.

[From the Seattle Times, May 22, 1989]

A GENTLEMAN COMES CALLING AT HEAVENLY CARD GAME

(By Rick Anderson)

As the nightly game got under way on Cloud 9, there came a rap upon the door. . . "Ah, could someone see to that," Jack Kennedy said.

A spritely Henry Jackson rose and strode to the doorway in his wing-tip shoes.

"Maggie!" he exclaimed. "Hey, everyone, it's Maggie!"

"Hiya, kid," Warren Magnuson said. He was rumpled, bent, balancing himself on a cane as he patted his old friend on the back.

The others at the table—JFK, LBJ, FDR and HST—rose in unison, extending their legendary hands.

"We heard you were coming," Franklin Roosevelt said with his warm smile. "Welcome, Maggie. Join us. It'll be just like the old days."

"I've missed you boys," Maggie said, sitting down. "What's the game?"

"Five-card stud, jacks wild," Kennedy deadpanned.

"Some things never change," Maggie said, chuckling. "Deal me in."

The first round of cards came out, face up. JFK dealt himself an ace. He tossed in a chip. The others followed.

"So, Maggie," Harry Truman said, adjusting his wire-rimmed glasses to inspect his second card, "what have we missed lately?" Maggie made a face of pain.

"Just the biggest gawdam oil spill in history!" he said. "One of those super-pooper single-hull tankers hung up on a reef and turned Alaska into an Exxon grease pit!"

"Nothin' too surprising about that, Maggie," drawled Lyndon Johnson, shifting the Stetson to the back of his head, "except that it took those boys this long to mess up. You know, I remember you going on about things like this right up to the day I died."

"Well," said Maggie, "it never made any dawggone sense to have these big boats in those little waters. We've always known that if they dropped their load, we couldn't pick it up."

"Guess they're still making legislation by tragedy," Roosevelt said, shifting in his wheelchair. "You'd think they'd learned from our mistakes."

"What else we miss lately, Maggie?" Truman said as the third card was dealt.

"Well, Harry, I hope this makes you mad as hell: Over at Hanford, which you and I and 'Scoop' worked so hard to create, they got a mess to clean up, all kinds of hazardous, radioactive poop. And it turns out that back in the early days, they released radioactive particles that floated hundreds of miles in the air. And they didn't tell anyone about it!"

"What?" Truman said. "We built that old joint to help defend our people, not attack them."

"It's a damn stinkeroo," Maggie said. "I'm almost sorry we ever did it. And by the looks

of things down there, I'm not sure they're going to learn anything from it."

The fourth card came out. Kennedy was still high, now with three aces showing. He pushed out a pile of chips. The others pulled on their cigars and sipped their drinks, contemplating. Scoop slurped his tomato soup topped with crab.

"You know," Jackson said, "looking around this room, I'd have to say that America, maybe the world, was shaped by the people here. I'm proud to say I had a small part. You others..."

"I created a great society," said LBJ.

"I won the war," said HST.

"I took us into the future," said FDR.

"I had a good time," smiled JFK. "But so did everyone else."

Scoop looked at the old man sagging humbly in his chair.

"How about you, Maggie?"

"Oh," said Maggie, "can't think of too much, offhand."

"Well," said Scoop, "try thinking of 44 years in Congress. Try thinking of a series of hydroelectric dams along the Columbia, irrigation projects that turned deserts into farmlands, fisheries conservation programs, lifesaving consumer-protection laws. Try thinking of highways, bridges, parks, hospitals, schools..."

"Take a breath, Henry," said JFK. "We get the point. I guess we all owe Maggie our gratitude."

"For what?" Maggie asked.

"For not running against us."

The last card came out, face down. Kennedy bet big with three aces and a 10 showing. The others sighed and pushed in their last chips.

Kennedy turned up his hole card. Another 10. Full house.

He reached for the pile of chips.

Warren Magnuson cleared his throat.

"I have a little amendment to that," Maggie said softly.

He flipped over his last card.

And a royal flush was born.

"Where'd that come from?" said HST.

"How'd he do that?" said LBJ.

"I never even saw it," said FDR.

JFK leaned back and smiled.

"Like the man says," Jack Kennedy said, "some things never change."

[From the Seattle Post-Intelligencer, May 21, 1989]

MAGGIE: POWER WITH HUMILITY (By Shelby Scates)

There was a stillness on Queen Anne Hill yesterday in the morning, a brilliant blue sky, flowers in bloom, a cleansing north wind coming down Puget Sound; a beautiful requiem.

Warren Magnuson, the former senator, died peacefully at his home there overlooking the Sound. His family was with him. So were pictures of the presidents with whom he worked. Roosevelt, Truman, Eisenhower, Kennedy, his great friend from the Senate Johnson, Nixon and Carter.

The end wasn't unexpected. "Maggie" lived 84 years, most of them hard. Last month he had to cancel his annual birthday party with the "Bumble Bees", ex-staffers who adored their boss. He couldn't receive a friend two weeks ago bearing a biography of Ed Snow, a writer who told the world about China's communist revolution. Magnuson had an abiding interest in China, one that endured the red-baiting McCarthy era.

"The team is together again," said his widow, Jermaine, Sen. Henry (Scoop) Jackson, the other half, went ahead of Maggie.

He died in 1983. They were perhaps the most powerful team in the U.S. Senate of this century, disparate personalities but nearly inseparable political collaborators.

This lasted for nearly three decades until Magnuson's defeat by Sen. Slade Gorton in 1980. Like everything else, he took it in good grace.

Before it's lost in speeches and condolences from the high and mighty, note that one of the first to call Mrs. Magnuson when the news went out about the death was a guy named Bennett. He came to know and love Maggie while chauffeuring for an Ohio congressman in the 1950s.

Maggie was powerful, perhaps the last of a line of senators who helped shape the nation through personal legislative skill and informal influence with presidents. He was a major figure in national politics for 50 years, a giant in the history of his home state.

Perhaps of as much significance he was humble, as comfortable with ordinary folk as he was with presidents. That's extraordinary in political life. Power is supposed to corrupt. Maggie never let it get to his head.

"Never hold a grudge," he told a younger reporter years ago. He never did. Nor would he speak ill of others, including political opponents. He was, said ex-Sen. Gene McCarthy, the best-loved member of the Senate.

In the other Washington, he was better known as one of its most effective legislators. His stamp lies on measures ranging from space to civil rights. He usually got what he wanted and what he most wanted were measures to help ordinary people. He was a liberal. He would never shy from that label like Mike Dukakis. Maggie believed government could help citizens and that it should.

As a member of Washington's 1933 legislature, he pushed one of the nation's first unemployment compensation bills. His laws kept supertankers out of Puget Sound and baby blankets from catching fire.

His concerns didn't end with election defeat. He wrote a letter several weeks ago urging Congress to force double-hulled tankers to be put on the run from Alaska. Before Gov. Booth Gardner got entangled in an income-tax battle of enormous futility, Magnuson offered a simple solution: A flat-rate tax with proceeds earmarked for education.

What kind of man did all this? He left an impression of common sense, plain manners and homely speech. Of a Boeing proposal to place solar cells in space to convert sun rays into electricity, Maggie explained we could transmit the energy "by running a long light cord back to earth." Imprecise, maybe, but you got the idea.

The manner wore well with all kinds of people, except perhaps the snobbish. But it masked—perhaps deliberately—a high intelligence and a complex personality. For all his popularity, he was somewhat shy. His humility never fit his political clout. He was a sensitive man, of all things, a painter of what appears to be credible talent.

Magnuson was orphaned as an infant, a fact few of his friends ever heard him mention. A conversation with Maggie dealt with issues of the day, whipping from a current topic to a discussion of personalities from other decades. An hour with Magnuson was a seminar on 20th Century state and national politics.

Once he told of his friendship with Sen. Joe McCarthy in the days when both were bachelors, poker players and men about Washington, D.C. Later, Maggie explained,

something happened to McCarthy. He went on his epic anti-communist witch-hunts.

McCarthy devastated the careers of several senators who did not share his zeal and his crusade. But never did he attack Magnuson, the friend of "Red China," the first U.S. politician Chou Enlai would beckon to Beijing.

As a political figure, it's hard to separate Magnuson from Jackson. They were a team, each strengthening the other. Their accomplishments blend. Given Senate changes, we're not apt to see the likes of such legislative power again.

As a personality, however, Maggie was one of a kind. His compassion for the plight of ordinary people will be missed as will his ability to come to their help.

[From the Seattle Times, May 25, 1989]

A REUNION OF "BUMBLEBEES"—MAGGIE'S EX-AIDES SAY GOODBYE

(by Ross Anderson)

Today they were in their dark pallbearers' suits, on their best behavior, carrying their senator on his last trip. But last night, for just a few hours, they were the "bumblebees" again, gathered around a table in the back room at Vito's, hoisting a few beers to the happy memories of Warren G. Magnuson.

And nobody doubted that, given the option, the boss would have opted for a seat at the bar at Vito's, rather than St. Mark's Cathedral.

"Sending his off from St. Mark's just didn't seem quite right," says Tom Keefe, one of the former Magnuson aides who met last night. "At least not without doing it here first."

It was Keefe, a lawyer who recently joined the staff of Sen. Brock Adams, who organized the wake for Magnuson, who died at 84 Saturday. Vito's, on Seattle's Capitol Hill, was one of Magnuson's favorite haunts.

Keefe, an Irishman who understands the nature of a traditional Irish wake, had no trouble recruiting former Magnuson staffers—a motley crew of lawyers and business people who Magnuson often referred to as his "bumblebees," a term borrowed from a Republican critic who thought Magnuson surrounded himself with a few too many bright young aides.

Most of the bumblebees are long gone now, scattered around the law offices and other centers of influence in Seattle and beyond. They have traveled from around the country for a chance to pay their respects and tell a few stories on their senator—only some of them fit for print in a family newspaper.

To date, the public tributes have focused too heavily on the power Magnuson accumulated during his 44 years in the Congress, the former Magnuson staffers said.

"What endures for me is not the chairmanships or the list of accomplishments, but the personal qualities, the big heart," explained Rick Redman, a Seattle lawyer. "This is a guy who could play politics with the best of them, but never had a bad word about anyone."

When Magnuson was a young county prosecutor in the 1930s, he found himself under pressure to help break a huge general strike in Seattle, said Stan Barer, a lawyer and former chief aid. Instead, Maggie joined ranks with the strikers.

Later, as a freshman state legislator, he did the same in Seattle's Depression-area shantytowns.

"You have to understand that this is a man who had no ego problems," Barer said. "Even though he worked in one of the most egocentric institutions on earth, he maintained a healthy sense of himself and his job."

What gave him pleasure, they said, was getting things done—cigarette health warnings, oil-tanker restrictions, unemployment compensation, fisheries management, and much more.

"Maggie was, more than anything else, an advocate," Keefe said. "Long before he accumulated any of his power, he was an advocate for people and for people issues."

"He was not a downtown senator," he said. "He wasn't part of the corporate community. He preferred Vito's to the Rainier Club. He was a Main Street senator."

Magnuson was not intimidated by people who appeared smarter or more articulate than he was, so he attracted the best staff of young aides he could find, and gave them long leashes.

Most have long since moved into their own positions of power.

"And I think most of us learned an important lesson from Maggie on how to wield power," Keefe said. "Because you have a whole generation of achievers who remember working for a guy who had more power than he ever actually wielded."

In his last years in the Senate, however, as Magnuson's power was at its climax, his view of government was on the wane. Taxpayers were increasingly making it known at the ballot box that traditional Democratic politics was fast becoming obsolete.

The 1980 election of Ronald Reagan and a GOP Senate proved to be a watermark, and his friends say it may have been an act of political mercy that Magnuson was not re-elected to a minority party, with no committee chairmanship, in a shrinking federal government.

"He knew the risks in running for re-election," Keefe said. "But he loved what he did, and believed in it. He figured to force the state to decide what it really stands for, and it turned out that it didn't. Change was in the wind."

[From the Seattle Times, May 22, 1989]

MAGGIE'S LEGACY IS MORE THAN MONEY

(By Eric Pryne)

The sky darkened over downtown Vancouver as a shell-shocked band of scientists, bureaucrats, politicians and journalists filed into the headquarters of the Gifford Pinchot National Forest nine years ago today.

Mount St. Helens had erupted just four days earlier. The images of devastation—surging, mud-choked rivers; flattened, ash-covered forests—still were fresh and frightening.

President Jimmy Carter sat at the head table, surrounded by pictures and maps of the volcano. He had just flown in from Washington, D.C., for a firsthand look at the destruction, accompanied by Warren Magnuson, Washington state's senior senator.

Officials briefed Carter on what had happened, what dangers the volcano posed, and how much it might cost to clean up. Gov. Dixy Lee Ray spelled out what the state wanted most from Uncle Sam: "M-O-N-E-Y."

"I'm glad we've got the chairman of the Appropriations Committee."

For more than three decades spanning eight presidents from Franklin D. Roosevelt to Jimmy Carter, Magnuson was one of the most powerful and respected members of

the U.S. Senate. Even as recently as last winter, he retained enough residual influence to help Sen. Brock Adams, a longtime Democratic ally, win a coveted seat on the Senate Appropriations Committee.

Rep. Tom Foley, Spokane Democrat and House majority leader, once said: "I doubt in our time anyone will eclipse him in terms of the power and influence he had."

In the late 1970s, at the zenith of that power, Magnuson had become the upper chamber's most senior member, president pro tempore of the Senate (which made him third in succession to the presidency), chairman of the Appropriations Committee and a 44-year congressional veteran.

Many friends and aides felt Magnuson's unexpected defeat by Republican Slade Gorton in 1980 was ultimately an act of political mercy. Had he been re-elected, he would have returned as a minority senator, with no chairmanship in a vastly different U.S. Senate in a vastly different political era.

It wasn't just his seniority and chairmanships that made Magnuson so powerful. It was his *modus operandi*. Magnuson also was one of the most unpretentious and popular members of that exclusive club.

"He was an insider, a pro's pro, highly regarded by his colleagues because he kept his word," said Rep. Norm Dicks, D-Bremerton, for eight years an assistant to the late senator. "In the terminology of Lyndon Johnson, he was one of those whales in the U.S. Senate that was someone to be contended with."

"His power was lightly held but very effectively exercised," said Foley.

His mark was left on virtually every town and project in the state. In 1980, one insider estimated their total economic value at about \$80 billion.

Magnuson was instrumental in pulling the strings that led to construction of a host of federally financed dams on the Columbia River, built to fuel the energy demand of a fast-growing state. He funneled tens of millions of dollars into the arid sagebrush land of Eastern Washington to make it bloom with fruit and vegetables. He helped finance two world's fairs—in Seattle and Spokane—that helped put both cities on the world map.

He was relentless in his pursuit of big-money federal contracts for The Boeing Co. and Todd Shipyards in Seattle, and the Hanford Nuclear Reservation in Eastern Washington. He helped win the University of Washington recognition as the institution with the largest collection of federal research grants in the country.

Magnuson almost singlehandedly prevented the oil industry from building a superport on Puget Sound—the wisdom of which he felt was confirmed by the recent disastrous oil spill in Alaska.

His Fisheries Conservation and Management Act, usually called the "Magnuson Act," channeled millions of dollars into fisheries enhancement and laid the groundwork for a \$1 billion bottom-fish industry based in Seattle.

He was instrumental in settling up the public radio and television networks, in abolishing the poll tax and giving 18-year-olds the right to vote, and in building the interstate highway system.

When something went wrong, his state knew where to turn for help. When a freighter rammed the old West Seattle drawbridge, Magnuson found the money to build a new bridge. Similarly, he was the power behind the new Hood Canal Bridge,

Seattle's Discovery Park and the huge National Oceanic and Atmospheric Administration research center at Sand Point.

In one of his most stunning congressional coups, Magnuson put together a nearly \$1 billion aid package following the eruption of Mount St. Helens. It took him little more than a month to do so.

But Magnuson's interest in "doing good" didn't stop at Washington state's borders. Ralph Nader once called him the most important consumer champion in America. As chairman of the Senate Commerce Committee for 23 years, Magnuson was the author of legislation substantially improving auto safety, requiring warning labels on cigarette advertising, beefing up truth-in-lending laws and standards for children's toys and flammable clothing fabrics, to name a few.

He fought to improve the quality of health care in America—writing legislation creating the National Cancer Institute, the National Science Foundation and the National Health Service Corps, which was aimed at sending young doctors into impoverished and remote areas of the country.

"He achieved great power and used it for the benefit of the people," said Foley. "It's hard to find an area where Warren Magnuson wasn't important."

Less obvious but perhaps as important was the imprint Magnuson left by way of the informal "graduate school" run out of his Senate offices. For 40 years, Magnuson hired the best and brightest available to staff his office, then helped them move up to their own positions of influence. Among those graduates were Dicks, Seattle attorney Gerry Johnson, Burlington Northern executive Gerlad Grinstein and Senate Labor Committee aide Tom Keefe.

Born April 12, 1905, in Moorhead, Minn., Magnuson was orphaned at 3 weeks and adopted by a family of immigrant Scandinavians who moved to the flatlands of North Dakota. Though his campaign brochures reminded voters of his humble beginnings, Magnuson's adoptive father reportedly was a wealthy banker from whom Magnuson inherited some money.

After attending the University of North Dakota and North Dakota State College briefly, Magnuson rode boxcars west to Seattle. He worked his way through the University of Washington by peddling ice in wealthy neighborhoods, and received a bachelor's degree in 1925 and a law degree in 1929. Along the way, he was undistinguished as a third-string Husky football player.

Magnuson first ran for office in 1932, winning election to the state Legislature. According to friends, the most vivid memory of his Olympia experience was etched into his mind when a delegation of hungry, jobless citizens marched on the state capital and erected a tent city in an attempt to get aid.

All politicians understand their survival depends in part on what they deliver to the folks back home, and Magnuson was no exception. He just played the game better than most.

Magnuson had come to the Senate in 1944 seeking federal dollars to develop his home state, with all the zeal of a third-world ambassador courting the World Bank. At his prodding, the federal government built or sustained many of the underpinnings of Washington's economy: The Columbia and Snake river dams whose water and power attracted aluminum smelters and agribusiness; the nuclear reactors at Hanford; the shipyards of Puget Sound and Boeing's airplane factories.

In 1947 came dollars for Seattle's Alaskan Way Viaduct. That same year a Republican congressman from Central Washington made a highly unusual pilgrimage across Capitol Hill, to thank Democrat Magnuson for winning extra dollars for the huge Columbia Basin irrigation project.

Magnuson's ability to bring bacon home for his constituents grew with his appointment in 1953 to the Appropriations Committee. The Wall Street Journal noted in 1965 that Washington, 23rd among the states in population, got one-sixth of all the money the federal government spent on public works.

For a decade, Magnuson chaired the appropriations subcommittee that writes the budget for labor, health, education and welfare, the largest single chunk of domestic spending. He poured money into the research budgets for the National Institutes of Health—an outgrowth of the National Cancer Institute he had first proposed in 1937—and the National Science Foundation, another Magnuson creation. Grants from those agencies still account for a sizable share of all University of Washington revenue.

Magnuson didn't get everything he wanted: Congress' failure to finance the Supersonic Transport was a particularly painful defeat. But he won more than he lost.

Magnuson's power reached its apex when he assumed the reins of the full Appropriations Committee during his final years in the Senate. In 1977, at dedication ceremonies for Magnuson Park at Seattle's Sand Point, he noted the federal government had just provided \$700,000 for park facilities.

"I am sure you will understand that this is just a coincidence," he joked.

Days before his last election in 1980, he added \$2.4 million to an appropriations bill to buy scenic Whidbey Island farmland threatened by development. The National Park Service wrote the owners a check before the measure had cleared, so certain were they of Magnuson's clout.

His handlers played up that power in the campaign that year against Republican Slade Gorton. "I may walk a little slower than I used to," Magnuson said in television commercials, "but they can't start the meeting until I get there anyway."

It didn't work. For, from its start in the House in 1936, Magnuson's career in Congress had been characterized by faith that government money and government regulation were forces of good. "He believed the government was an instrument to solve problems," says Pertschuk, "and he stayed on that course."

By 1980, many Washingtonians no longer shared that faith.

Many deposited senators stay on in Washington, DC, to bask in fading limelight or make money lobbying their erstwhile colleagues. After his unexpected defeat, Magnuson returned to Seattle.

He was 3,000 miles away when Congress shifted its attention from creating new programs to eliminating old ones, from spending more to spending less. He didn't make a return trip to the nation's capital until 1987.

And, when reporters asked why he had stayed away so long, the man from another era was characteristically blunt: "I didn't have any business here."

[From the Spokesman Review, May 23, 1989]

MAGNUSON DELIVERED FOR STATE IN BIG WAY

"Maggie can walk onto the Senate floor late in the day and offer a little amend-

ment, and it turns out to be the Grand Coulee Dam."—President John F. Kennedy
Quiet, yet incredibly effective, former U.S. Sen. Warren G. Magnuson epitomized an era of political power-broking that probably never will be matched. So regularly did the Washington Democrat come through for his constituents that long before his death on Saturday, facilities he had helped fund already were being named in his honor.

Spokane's Intercollegiate Center for Nursing Education, for example.

What some called pork-barreling, New Dealer Magnuson unapologetically called bringing home the bacon.

He steered billions of dollars Washington's way for hydroelectric and reclamation projects, world's fair, military installations and the like. There may not be an acre of the state that doesn't bear his thumbprint.

When Spokane civic leaders were mapping plans for the Expo '74 world's fair, Magnuson slipped (in his customarily inconspicuous way) a federal appropriation into legislation on the Senate consent calendar. When Arkansas Sen. William J. Fulbright threatened to voice what would have been a killing dissent, Magnuson headed off trouble by accommodating Fulbright's desire to have a city in his landlocked state designated a seaport.

When Magnuson lost to Republican Slade Gorton in 1980 after six productive terms in the Senate, it was his enormous influence that contributed to his defeat. In addition to crediting him with his achievements, voters held the Senate Appropriations Committee chairman accountable for the Senate's failures, notably a soaring federal budget deficit.

But even in his last few months in office, Magnuson rushed nearly \$1 billion in federal disaster-relief funds through Congress to assist the state in the aftermath of Mount St. Helens' eruption.

Never one to call attention to himself, Magnuson preferred the quiet path. Among his legendary "little amendments" was a ban on supertanker traffic in Puget Sound, a stroke that prompted then-Gov. and fellow Democrat Dixy Lee Ray to brand him a "dictator."

"When you've got something good to be done and you can do it quickly, well, you do it," the senator explained simply.

Warren Magnuson was known as a friend of consumers, a friend of labor and a friend of the environment, but always he was a friend of Washington state—every corner of it.

[From the Tri-City Herald, May 23, 1989]
MAGGIE WAS ONE OF THE CENTURY'S GREAT FIGURES

"What I have done is history. What I am interested in is today and the future."

These are the words of Warren G. Magnuson late in life, offered by his widow, Jermaine, as a summation of what the man was and how he will be remembered.

He will be so remembered, but in many other ways, too.

Magnuson's death had been expected for weeks, as a result of complications of old age and diabetes. He died Saturday at his Seattle home with his wife of 25 years comforting him.

"I was at his side," she said, "We had our hugs and our kisses. He went with dignity and no pain, and that's what I had prayed for."

But this quiet exit was only a pale mirroring of the robust and rich life of a man known nationally as a political giant.

A poker-playing crony of Harry Truman, a New Dealer in from the beginning, an orphan who came to Washington by hooking rides on freight trains, who played football for the Huskies, who was elected to the U.S. House of Representatives in 1936, became a lieutenant commander seeing combat with the Navy during World War II who returned in the waning days of that conflict to be elected to the U.S. Senate; he was a man in the center of the great actions of his time and a man around whom much of that action centered.

From his Senate election in 1944 until his defeat by Slade Gorton in 1980, Magnuson was considered a workhorse in the Senate, not only for his state but for the nation.

He was chairman of the Senate Commerce Committee for 24 years.

He rose to be chairman of the Appropriations Committee and president pro tempore of the Senate. As such he exercised influence over the development of laws and appropriations of enormous importance.

In 1967 he introduced legislation requiring the Coast Guard to develop ways to regulate tankers, just as the new generation of oil transporters were making their appearance. It was no irony that one of the last letters he wrote was to Congress, urging legislation to require oil tankers to have double hulls—rather than the single hulls such as on the Exxon Valdez, which ruptured in Prince William Sound.

It was on the strength of Warren Magnuson's convictions that the great battle over the location of I-82 was resolved with the interstate being shifted somewhat eastward and a spur added to serve the Tri-Cities and Walla Walla.

The importance of the Tri-Cities being adjacent to the interstate, rather than remote from it, has been of inestimable value to the community ever since.

When Mount St. Helens erupted, Magnuson was pivotal in getting \$1 billion allocated for community response; he was in on the creation of the Department of Transportation and the Fred Hutchinson Cancer Center in Seattle and the Veterinary Medicine Center at Washington State University; there are warnings on cigarette packages partly through Magnuson's support; he was the protector of animals and, in particular, whales; he is credited with being the moving force that brought about the National Cancer Institute (later, the National Institutes for Health) and the National Science Foundation.

He was a friend of Hanford, and he and Henry M. "Scoop" Jackson combined to see to it that the work that was done there received the recognition and support it deserved.

Sam Volpentest, executive director of the Tri-City Industrial Development Council, first met Magnuson in 1936 and enjoyed a 56-year friendship with him.

Of his old friend, Volpentest said:

"He was a very warm, human person who was concerned about people's welfare and health."

Warren G. Magnuson was among us from 1905 to 1989. His monuments are all around us, and he will be remembered as he wanted to be, as a man whose spirit will still be seen to be at work long into the future.

[From the Seattle Post-Intelligencer, May 26, 1989]

GOODBYE TO THE LAST OF THE TRUE NEW DEALERS

(By John de Yonge)

At first it was a solemn affair, Maggie's funeral yesterday, beautiful. There was the march of prelates, with Mrs. Magnuson and the family, into the great white enclosure of St. Mark's Cathedral, the mourners standing, the organ and choir resounding, and the senator's remains in a flag-draped coffin carried by former staffers of his, dark-suited, somber, none of them with an IQ under 129.

One pallbearer was Duayne Trecker, one of Maggie's past press secretaries. As the first prayers for Maggie echoed in the cathedral's vault, I remembered an evening in Washington, D.C., when Maggie asked Trecker and me to escort him to a fundraiser at the Folger Shakespeare Library—and to get him out of there as soon as he had shaken hands and "made one of my little talks" for a worthy Democrat needing the senator's presence to loosen dollars from the assembled lobbyists.

"These things'll kill you if you let 'em," he said of stand-up parties. Physically, he was suffering from his feet, which made him shuffle, and made him seem deceptively weak. But he could drop an amendment on an afternoon, stopping the development of a super oil port on Puget Sound and causing a governor (Dixy Lee Ray) to scream in rage.

Maggie was at the height of his power then, in his 70s, chairman of the Senate Appropriations Committee, from which the milk of government flows. He controlled the flow. And, by seniority, he was president pro tempore of the U.S. Senate, where seniority is power. So he was third in line to succeed to become president of the United States.

"It's one job I've never wanted," he used to say. "I've seen what it did to FDR and Harry Truman and LBJ." He meant how it ground them down.

Being three heart beats from the presidency endowed him with a black Lincoln limousine chauffeured by a Secret Service agent. Its single-number license plate whisked us by saluting cops to the Folger and then away, up to Maggie's apartment.

By then he was plainly hurting and tired. He said he wanted to be fresh for the next day, for work on his bill to protect kids from inflammable pajamas, common then, night clothes that burned as if soaked in gasoline. His bill banned clothing that could sear children. The only time I ever saw Maggie mad was when he talked about a manufacturer who defended clothes that could burst into flame around a child's body.

We all got out of the limousine. Trecker and I saw the senator to the elevator. "Have the car take you home," Maggie said.

Trecker had himself dropped off at a metro station. At my hotel the doorman rushed to open the Lincoln's door. His enthusiasm sagged when he saw emerge not the senator but me.

At the funeral, in the touching eulogies by Rep. Norm Dicks and Sens. Brock Adams and Mark Hatfield and Daniel Inouye, because they were talking about Maggie they had to tell Maggie stories. We all laughed, because all of us who knew him have Maggie stories.

But laughter burst most greatly when the Rev. Lowell E. Knutson, bishop of the Northwest Synod of the Evangelical Lutheran Church in America, said:

"Maggie will get few words of praise for his religious piety . . ."

We guffawed, thinking of the senator with a scotch in one hand and waving a fine Cuban cigar in the other. Then Knutson completed the thought: "Maggie leaves a hidden piety."

Knutson's text, from the 25th Chapter of St. Matthew, includes words that summarize Magnuson's use of power:

"For I was an hungred, and ye gave me meat; I was thirsty, and ye gave me drink; I was a stranger and ye took me in; Naked, and ye clothed me; I was sick, and ye visited me; I was in prison, and ye came unto me . . ."

Rep. Tom Foley continued, with eloquence, Knutson's homily, that Magnuson, who had been a poor boy himself, comforted the poor and the needy and the innocent and the sick with laws to cushion, to succor, to provide meat and drink and clothes.

"He is," said Foley, "a marvelous example of how public power can be linked to public good."

Finally, with a catch in his voice, Foley said: "Goodbye, Maggie, rest in peace."

Goodbye to the last of the true New Dealers, I thought, who knew government by the people to be the friend of the people, not its enemy.

Singing "Eternal Father, Strong to Save," we were uplifted by the power of the choir and the thunder of the organ, by the indirect sunlight infusing the church and by the communion of honoring an old, true friend.

Then again the flagged coffin passed by. We took our last glimpse of Maggie, who if he needs an epitaph, might have this:

He did good.

[From the Columbian, May 23, 1989]

STATE WILL LONG REMAIN MAGNUSON'S MONUMENT

Since Warren G. Magnuson died early Saturday morning, memorialists have struggled to grasp the import of his life and passing. As the process continues through and beyond his funeral in Seattle Thursday morning there may be flights of excess, but it is difficult to exaggerate the degree to which Magnuson shaped his state, region, nation, and world.

Part of that may be explained by longevity in public life. He was first elected to the state House of Representatives in 1932, and he continued to wield considerable clout behind the scenes even after he lost his first election in 1980. From the first, however, Magnuson's power stemmed from his skill at identifying the public interest and his determination to pursue that interest both selflessly and forcefully. Even as a freshman in the U.S. House of Representatives in 1937 he was very much a part of Franklin D. Roosevelt's New Deal.

During his four decades in the U.S. Senate, particularly during the many years he was yoked with the late Sen. Henry M. Scoop Jackson, Magnuson made high art of pork barrel politics. And much of the hefty haul resulted in permanent Washington landmarks. But he also used that skill for such populist goals as Amtrak, public television, civil rights legislation, the 200-mile fishing limit, the 18-year-old vote, consumer rights and environmental protection. His legacy in political practice may be more fleeting. Since Magnuson passed his peak, it seems that Washington politics has become harder-edged, more selfish, less friendly and a lot more expensive.

In 1980, The Columbian joined the chorus calling for an end to Magnuson's political career: "Washingtonians certainly can appreciate the work done for them over four

decades by Warren Magnuson. But now it is time to think ahead and to elect somebody who has the potential to become another great senator, Slade Gorton."

We remain convinced that Magnuson's time to retire had come in 1980, just as we regret that he could not leave gracefully but had to be bounded out. We must acknowledge, however, that our hopes for Gorton were too high. He proved too narrow to hold the seat a second term. Gorton scrapped to win his way back in last year, but he did it by dividing to conquer rather than by following the Jackson-Magnuson pattern of strength through unity.

So now we pine for the days of the gold-dust twins. As we watch the replacement for one try to surmount scandal while the stand-in for the other fires angry shots across the Cascades at urban Western Washington, we can see that Magnuson's reputation will not be challenged for a long time.

[From the Seattle Times, May 21, 1989]

THE WIT AND WISDOM OF MAGGIE

One of Senator Magnuson's most endearing qualities was the way he used—misused, really—the English language.

As Bill Prochnau, a former Magnuson aide and Seattle Times correspondent in Washington, D.C., put it in a 1980 Washington Post article: "Magnuson fractured the English language in a way that made Mrs. Malaprop sound like a grammarian."

The Senator seemed to have an especially tough time with people's names, although those close to him insist to this day they never knew which of his slips were intentional, perhaps to take puffed-up bureaucrats and politicians down a notch.

Once, to an astonished Senate hearing, Magnuson introduced Avery Brundage, then chairman of the U.S. Olympic Committee, as the distinguished Mr. Average Brundy."

"Get me Cauliflower at the White House," Magnuson was known to say when he wanted to ring up Joseph Califano, an aide to Lyndon Johnson in the 1960s.

U.N. Secretary General Dag Hammarskjöld came out "Dag Hammershlogg." And former French Premier Georges Pompidou was "Poopidoo."

At one Senate committee hearing, Magnuson became irritated with an environmentalist who was arguing against the progress that was represented by Boeing's controversial SST plane.

"We can't all go live at Walden Pond," Magnuson declared. "Even Walden only lived there for two years."

A man of words, Magnuson was not.

In a 1981 interview, Magnuson was asked to comment on U.S.-China relations.

"Our relationship with China has come along very well, slow, but you have to be patient with the Orientals. You have to be very patient with them."

"I mean, talk about Latin Americans having 'manana.' The Chinese have a manana that isn't you know, day to day, it's almost century to century."

"The trouble with us with the Orient, we think Orientals should think like we think they should think, and they don't think that way."

Asked to comment on the Kennedy family, he said: "Well, they're going to be one-third of the world's population. They're over one-fourth now." When told the question was about the future of the Kennedy family, he said: "Oh, I thought you said the

Chinese. The Kennedys. Well, they've only got one man left."

On the Latin American military: "All their generals with all their medals, geez, you'd think they went through 17 war engagements. Holy Jesus, they've got medals, you know, up to their shoulders. I got a medal from Costa Rica once, years ago . . . when I was down there . . . trying to talk about a second canal. Geez, they hung it on me, it was so goddamn heavy that I had to bend over."

[From the Seattle Times, May 21, 1989]

FROM THOSE WHO KNEW HIM

Warren Grant Magnuson was, as Gov. Booth Gardner put it, "one of the most significant individuals this state has ever known."

"He is an integral part of the history of this state," Gardner said yesterday on learning of Magnuson's death. "He was well-loved and appreciated for his contributions. He'll live on for the duration of the history of this state."

Others who knew Magnuson were equally laudatory. Here are some of their comments:

Former Gov. Albert Rosellini, who first met Magnuson in 1936: "I don't think the state has ever had a stronger individual in Congress. It made it possible for us to get funds for many major projects in the state of Washington. . . . It really is the passing of an era."

Tom Keefe Jr., a former Magnuson aide: "He was the best of federalism, health, the environment, auto safety. There's a hidden legacy from his career that's immeasurable. He did it so well for so long. There's a uniqueness that's impossible to match."

U.S. Rep. Norm Dicks, D-Bremerton, who was Magnuson's administration assistant for eight years: "We have lost one of the real giants of American politics today, and I have lost a great teacher, mentor and friend. We must reflect on the good work and the accomplishments he left behind. . . . When the shock of his death wears off, I hope the memory of his career will live forever."

Seattle Mayor Charles Royer: "Warren Magnuson lived a long, full and incredibly productive life. Few Americans have served this country as long or as well as our beloved Maggie."

Karen Marchioro, chairwoman of the state Democratic Party: "For the party he was the most important Democrat in this century. . . . He was a Washington state treasure. Everything he did was for a good cause—the environment, consumer affairs, the UW law school. It'll never happen again."

Helen Jackson, wife of the late Sen. Henry Jackson: "He always had a twinkle in his eye and enjoyed talking a little politics and he was a quintessential Democrat. He loved people and he loved helping them."

Sen. Edward Kennedy, D-Mass.: "Maggie will go down in history as one of the finest senators of the 20th century. His long career brought him to a position of great power in the Senate, and he used it with an unparalleled dedication to the best interests of the nation and the American people, which is why he was so well loved and respected."

Sen. Slade Gorton, R-Wash., who defeated Magnuson in 1980: "It almost seems like it was two or three decades ago rather than just a few years ago, because it was a very straightforward, upward, non-negative campaign that was simply run on the issues.

The consequences of it were that we had been friends before the race started and we were friends after it was over."

Sen. Brock Adams, D-Wash.: "He was a kind of Norwegian uncle, someone you can talk to. . . . The last thing he said was, 'This state has three things going for it—we've got the mountains, the Columbia River, Puget Sound. And I want you to see it protected. It's the future. It's the future of all of you.'"

Gerry Johnson, administrative assistant to Magnuson in the late 1970s: "He was fighting to the end and remained concerned on issues affecting the region as well as the nation. Last week, the senator had sent to the Senate Commerce Committee a letter expressing his concerns over the Alaska oil spill. He was happy being home. He always loved Washington state more than the other Washington."

Dr. John Lein, vice president for health sciences at the UW: "Warren Magnuson had a profound and unique influence on the direction of health research and health-care delivery in this country. Just as his efforts and concerns extended far beyond Washington state, the Warren G. Magnuson Health Sciences Center at the University of Washington is a resource to the region and nation. We are proud to bear Sen. Magnuson's name."

Rep. Al Swift, D-Wash.: "The quality that I think I will remember most about Maggie is that he was a man who over the years acquired enormous power, but it was power that never corrupted him. He wielded it gently. He never wielded it to hurt anybody. He wielded it in order to do good things for people. And in that respect he was almost unique in all the political figures I have ever known."

[From the Post-Intelligencer, May 21, 1989]

WARREN G. MAGNUSON: NO MEMOIRS, BUT MANY MONUMENTS AROUND US

(Joel Connelly)

WASHINGTON.—President John F. Kennedy convulsed a 1961 Seattle banquet with a description of how veteran Sen. Warren Magnuson passed bills in the nation's capital.

Magnuson, said Kennedy, would go to the Senate floor in the late afternoon when speeches had ended and reporters had departed. He would mumble a few barely audible words.

"What is it?" the Senate's presiding officer would ask.

"Well, it's nothing important, he says. And Grand Coulee Dam is built," said Kennedy to a roar of laughter.

Actually, Maggie didn't build Grand Coulee Dam, although his clout on the Senate Appropriations Committee was used to secure a third powerhouse at Grand Coulee and to irrigate over 500,000 acres of Eastern Washington desert.

The legend that was Warren Magnuson, built over 84 years as prosecutor, legislator, congressman, senator and confidant of presidents, will live beyond his death early yesterday at his Queen Anne home in Seattle.

Over a period of four decades—stretching from the New Deal to the Reagan era—Magnuson did more to shape the Northwest's politics and economic development than any other politician.

Magnuson liked to say that Congress contained two species of animals: "Showhorses and workhorses." He was a work horse, who never sought the White House and ignored perks of power.

The senator once touted his pioneering work on consumer legislation by running for re-election on the slogan: "Maggie has Soul." The motto summed up the man.

Ending his 1974 campaign, Magnuson ambled into a Clarkston, Wash., pool hall. He hung up his jacket, rolled up his sleeves. A cigar stuck in his mouth, the senator picked up a cue stick, put a \$5 bill on the table and offered to take on all comers.

A customer put down \$5. Magnuson won the toss, put all 15 balls into the pockets. He picked up both \$5 bills and headed for the door. The pool hall customers asked for his name.

"Magnuson," he replied.

"Senator Magnuson?" one man asked.

"Just Magnuson," said the senator.

Magnuson served 44 years in Congress, ending his career as chairman of the Senate Appropriations Committee. The panel decides how and where federal dollars are spent.

Magnuson saw that billions of dollars headed home to Washington. During Seattle visits, former Vice President Walter Mondale would joke that Maggie had a formula for evenly dividing the federal budget among the states.

"Fifty percent for Washington state, and fifty percent for the rest of the country," joked Mondale.

Magnuson made possible dams on the Columbia and Snake Rivers. Maggie secured money for the University of Washington health sciences complex which bears his name. He helped build new bridges over Hood Canal and the Duwamish. It was Magnuson who secured money for the 1962 Seattle World's Fair and Expo '74 in Spokane.

The dollars were needed to build the highways, canals, and power plants that made possible the Northwest's economic development. When Magnuson went to Congress, Eastern Washington was an arid desert. Western Washington's economy depended on logging. More than 60 percent of the state's farms had no electric power.

Magnuson was a pre-television politician. He really did mumble. His scrambled syntax, and inability to remember names, became part of the legend.

During the gasoline crisis of the late 1970s, Magnuson boosted synthetic fuels by exclaiming: "We have to look at these Sino fuels—especially gasoholics."

He once introduced Avery Brundage, notoriously arrogant International Olympic Committee chairman as "Mr. Average Brundy." When Joseph Califano was Lyndon Johnson's chief of staff, Magnuson would order his secretary to "Get me Cauliflower at the White House." He accidentally introduced Rep. Al Swift to a banquet as "your congressman Al Smith."

Beneath the bloopers, however, was a politician who changed with the times. In the 1960's and 1970's, Magnuson moved from regional logroller to national leader on consumer protection and environmental issues.

When he sought a fourth term in 1962, Magnuson was described by "Time" magazine as "a skilled politician with few pretensions of statesmanship." The senator ran as a provider. Grand Coulee Dam loomed in the background of his billboards with the slogan "Keeps Our State Moving."

Magnuson nearly lost, and a different senator emerged.

As chairman of the Senate Commerce Committee, he wrote laws protecting children from flammable fabrics. Magnuson drew up bills dealing with poison prevention

packaging, toy safety, truth in lending and truth in packaging and labeling.

He passed legislation that created the National Health Service Corps, which paid doctors and nurses to relocate to areas where there are few medical personnel.

The senator's finest hour may have come in 1977. Magnuson had never been known as an environmentalist. But he blocked use of Puget Sound as a superport for Alaskan oil.

He did it quietly. He wandered onto the Senate floor, and muttered a few words about protecting "a fragile and significant natural environment—Puget Sound."

He found a legislative vehicle in the pending Marine Mammal Protection Act. He attached a "little amendment" that banned oil supertankers from the Sound and blocked creation of an oil superport near Bellingham.

Magnuson acted behind the back of Gov. Dixy Lee Ray, the state's chief oilport booster. She called him "a dictator."

Typically, Magnuson committed a verbal gaffe as he claimed credit for saving the Sound. A renowned vodka drinker, he thundered: "There is no reason for us to accept these tankers when they can unload at any distillery on the West Coast."

During Magnuson's years in politics, the legends grew. At the time of his death, it was sometimes hard to tell myth from reality.

Magnuson was born in Moorhead, Minn., on April 12, 1905. He was orphaned at the age of three weeks—a fact that was sometimes included in his early campaign literature. But he was also adopted by William G. and Emma Anderson Magnuson, and grew up in a prosperous family.

The future senator hopped a freight train at the age of 19, riding from North Dakota to Seattle. He worked in Seattle as an ice truck delivery driver, using the savings to enter the University of Washington.

Magnuson's political career began soon after he graduated from law school in 1929. He was elected to the state legislature, then became King County Prosecutor in 1934. He was elected to Congress in 1936, after emotionally disturbed incumbent Marion Zioncheck leaped to his death from the fifth floor of the Arctic Building.

Magnuson served as a Naval officer aboard an aircraft carrier in the early days of the Pacific War, but was summoned back to Congress by Franklin Roosevelt.

He was elected to the Senate in 1944, an elected position he held through 36 years and eight presidents.

Magnuson was their intimate. He recalled playing poker with FDR. When he lost, Roosevelt would pay his gambling debts by signing personal checks, confident nobody would cash them.

He took President Truman trolling for salmon on Puget Sound in 1948, and was present during a famous Spokane incident when Truman told a local reporter: "Young man, the Chicago Tribune and Spokesman-Review are the two worst newspapers in the country."

Magnuson was married briefly in the 1930's to a former Miss Seattle. After his divorce in 1935, he remained a bachelor for 34 years.

Maggie was reportedly the model for man-about-town Sen. Lafe Smith in the bestselling novel "Advise and Consent." The senator was linked to Hollywood movie actress June Millard in the late 1940's, and Washington, D.C., buzzed with rumors the two had secretly wed.

When the senator married his longtime companion Jermaine Peralta in 1964, Presi-

dent Johnson was best man. An Idaho motel clerk later turned away the Magnusons, refusing to believe a marriage license signed by the president.

When asked to describe his political philosophy, Magnuson would reply: "I am proud to be a New Dealer."

He was often ahead of his times.

Magnuson wanted Alaska made a state in 1947, and worked for a dozen years to win admission for the 49th state.

He called, in 1956, for recognition of "Red China." In 1974, he was one of the first American lawmakers to visit China after its quarter-century of isolation.

In 1967, Magnuson reluctantly broke with his long-time colleague Sen. Henry Jackson and called for a unilateral halt to bombing of North Vietnam.

Nor did the senator shrink from controversy.

Interrupting his own 1968 re-election campaign, Magnuson introduced Democratic presidential nominee Hubert Humphrey in face of taunts and jeers from radicals at the Seattle Center Coliseum. Humphrey took the state. Maggie won a fifth term by a two-to-one margin.

Magnuson made one of his few misjudgments in 1980, and one not uncommon to Congress. He tried to stick around one term too many.

The senator was hard of hearing. Circulatory problems had slowed his walk to a shuffle. And Jimmy Carter's unpopular presidency dragged down Democrats across the country.

Using a slogan "Washington's next great senator"—which tacitly conceded Magnuson's past accomplishments—Republican challenger Slade Gorton ended Maggie's long career.

The senator and Jermaine retired to Palm Springs. But the California desert resort was home to too many Republicans, and far from the Magnusons' longtime friends.

The couple moved to a handsome home atop Queen Anne Hill. Its front yard was decorated by a totem pole carved by Indian tribes grateful at Magnuson's largesse.

The old New Dealer spoke out, appealing for programs the Reagan administration marked for extinction and chiding Republicans for running \$200 billion deficits.

"When I left the appropriations committee we had a debt of \$36 billion," Magnuson said in a recent interview. "They said that was terrible. We thought the world was coming to an end. Now look at it."

The senator never put down his memoirs—but his monuments can be seen by looking around.

[From the Seattle Post-Intelligencer, May 24, 1989]

MAGGIE KNEW HOW TO PICK THE BRIGHTEST PEOPLE

(By Jean Godden)

The death of Warren Magnuson on Saturday released a flood of memories about the late, great senator. Some of the tales concern his quiet but effective exercise of power, others tell of his folksy good humor and malapropish assaults on the language.

Most, however, overlook one of Maggie's greatest talents: his ability to surround himself with the brightest and best. His staff was amazing. It functioned with speed and savvy rarely seen in government.

Whenever a reporter needed an update, needed a statement or simply needed information, the call went to Magnuson's office first.

Calls often got results. One example comes from the waning days of Maggie's 44 years in Congress. The state's prison system was overcrowded in the summer of 1980. At the same time, the federal government was making plans to close McNeil Island federal prison.

The solution was obvious. Why not find a way to make use of McNeil Island instead of hurrying to build new prisons?

But Dixy Lee Ray, then governor, said that McNeil was not available to the state. She contended that the feds would never consider it.

That's when a call was placed to Sen. Magnuson's office, asking "Is it possible for the state to acquire McNeil?" The response from a staff member was: "No one has ever asked us." There was a quick follow-up call, "Senator Magnuson says he'll do what he can."

Days later, the U.S. Justice Department reversed itself and agreed to keep McNeil open until the state could act. Magnuson deftly attached a provision concerning McNeil to an appropriations bill. It was one of the last of Maggie's "little amendments."

IRON IN THE FIRE

Congressman Norm Dicks has been telephoning every member of the House on behalf of the Puyallup Indian land claims settlement which was approved Tuesday.

But Dicks has another legitimate claim to the title "congressional iron man." Rep. Dicks' schedule yesterday included the following: reception for the National Auto Dealers, National Maritime Committee meeting, Federal Judges Association, Rep. Tom Downey fund raiser, Sacramento Chamber of Commerce reception, House Administrative Assistant Alumni Association, Rep. Pat Williams fund raiser and Chief of Naval Operations reception in the Washington Navy Yard. And that's just his after-work schedule.

[From the Tri-City Herald, May 21, 1989]

TRI-CITIZANS RECALL MAGNUSON AS FRIEND WHO ALWAYS LISTENED

(By Gale B. Robinette)

Tri-City residents who knew former Sen. Warren G. Magnuson said Saturday he impressed them in ways they will not forget.

"I think that what set him apart from most Legislators was the fact he always remembered he was a common man, and the little guy was the guy he was trying to help," said Charles Kilbury, a friend and long-time activist in the Franklin County Democratic Party. "He had a heart as big as all outdoors."

Jim Worthington, who heads the South-eastern Washington Building Trades Council, said Magnuson "always had time to sit down and talk" even though he was a "very important individual."

"So many people it seems get a little distant from you, but Maggie was the type of person who wanted to help and to listen, and he took the time," Worthington said.

Magnuson died Saturday of congestive heart failure in Seattle. He was 84.

Benton County Superior Court Judge Duane Taber described Magnuson as a "very warm and caring individual."

"The very fact that people called him 'Maggie' speaks for itself," said Taber, who was involved in several of Magnuson's re-election campaigns. "Everyone felt free to use that name soon after meeting him because of the ease he put people to."

An orphan who rode the rails to seek his fortune in the Pacific Northwest, Magnuson spent half a century in public life. He served six terms in the U.S. Senate. Magnuson, a lawyer, first went to Washington, D.C. as a Democratic congressman in 1936, and served with presidents from Franklin Roosevelt through Jimmy Carter.

People still credit the duo of Magnuson and the late Sen. Henry "Scoop" Jackson, D-Wash., for getting federal money to finance key energy, agricultural and transportation projects in the Pacific Northwest, including the Tri-Cities.

"Between he and Scoop, they did a tremendous amount for this state and particularly for our area," said Mark Pence, of Pasco, who was Franklin County chairman of two of Magnuson's re-election campaigns.

Sigvard Hansen, former dean of students at Columbia Basin College, said Magnuson and Jackson "were very unselfish about their time and energy to see that things amounted to something in the Northwest."

Hansen described Magnuson as a good friend and "one of the finest men I have ever known."

"He was just like a fellow you had as a neighbor and felt was your greatest friend," Hansen added. "He wasn't trying to make himself look great. He just wanted to get the job done, and he got it done."

Sam Volpentest, executive vice president of the Tri-City Industrial Development Council, met Magnuson in 1933 and began a friendship that lasted 56 years.

"He was a very warm, human person who was concerned about people's welfare and health," Volpentest said.

[From the Spokesman Review, May 26, 1989]

THROUGH BIDS MAGNUSON GOODBYE

(By Jim Camden and Richard Wagoner)

SEATTLE.—Congressmen and governors joined political foot soldiers and "common folk" in saying goodbye Thursday to one of the giants of American government.

Former Sen. Warren G. Magnuson was described at his funeral as everything from Mr. Consumerism to the king of pork barrel politics.

The onetime president pro tempore of the U.S. Senate, who died Saturday in his Seattle home at age 84, was "one of the century's most powerful men," Sen. Mark Hatfield, R-Ore., said.

"Yet he never once, not even for a moment, separated himself from the fishermen in Puget Sound, the apple grower in Yakima or the businessman in Seattle," Hatfield said.

In front of a crowd that seemed drawn from a "Who's Who" of Northwest politics, Maggie was sent off.

In the church pews were Slade Gorton, the Republican who ousted Maggie from the Senate in 1980, and Brock Adams, who beat Gorton six years later to reclaim "Maggie's seat" for the Democrats. Both are in the Senate now, after Gorton's comeback last year.

Former Govs. Dan Evans and John Spellman, both Republicans, joined the mourners, and Gov. Booth Gardner read a scriptural passage at the start of the service.

A new generation of congressional leaders—some such as Rep. Norm Dicks who started as Maggie's assistant—took to the lectern to reminisce about their mentor.

"I'm proud to be a graduate of the Magnuson school of government and public service," Dicks said.

Some 1,000 people crowded into St. Mark's Cathedral to sing hymns and listen to eulogies of Magnuson. Some former campaign workers sported white-on-blue "Maggie!" campaign buttons on jacket lapels or blouses.

A 10-member color guard of soldiers, sailors and Marines marched into the Episcopal cathedral to start the ceremony.

The former senator's coffin, draped with an American flag and adorned with the seal of the U.S. Senate, was escorted in by eight former staff members.

Sen. Daniel Inouye of Hawaii said it was time for the former Senate leader "to once again respond to the roll call, this time in Heaven."

Inouye, like many of the speakers, recalled Magnuson's prowess at finding money for Washington. After the 1980 eruption of Mount St. Helens, Magnuson sought "an unheard of sum" of more than \$950 million for disaster relief.

"I turned to him and I said 'Mr. Chairman, we have volcanoes in Hawaii that erupt every day.' And he looked at me with a twinkle in his eye and said 'Your day will come.'"

Magnuson produced money for his state by reminding other senators that he had backed programs for their states, speakers said.

"He wrote the book about bringing home the bacon," Hatfield said. "'What's good for Washington is good for Oregon,' Maggie would say. 'Two for me and one for you.'"

But all were quick to add that his 44-year congressional career was notable not just for the building projects he sponsored, but also for cancer research, wildlife protection and consumer rights he championed.

"He began his work long before Ralph Nader came onto the scene as Mr. Consumerism," Inouye said.

And for those who wondered whether the old cigar-smoking pol with the shuffling gait was destined for some warmer clime than Inouye suggested, The Rev. Lowell Knutson, bishop of the Northwest Synod Evangelical Lutheran Church in America, said Maggie lived up to at least one passage of the gospel.

As a defender of the young, the sick and the poor, Knutson said Magnuson embodied the Scriptural passage: "In as much as you've done it to the least of them, you've done it to me."

Rep. Tom Foley of Spokane agreed that Maggie, in concert with the late Sen. Henry "Scoop" Jackson, "remade the face of the state of Washington," by finding money for harbors, dams, bridges, world fairs and university buildings.

"I think that the physical legacy is not the most important," said Foley.

Magnuson championed voting rights for 18-year-olds, an end to the poll tax and protection of the environment, Foley said.

"The Puget Sound is not suffering the fate of Prince William Sound because Warren Magnuson wanted to see this great resource protected," he said.

Foley, who could soon best even Magnuson in the congressional hierarchy by becoming the speaker of the House, arrived at the cathedral after the ceremony started but in time to deliver the final eulogy.

Even a late vote on a supplemental budget and discussions of a possible change in the speakership wouldn't keep him from attending the service of his onetime mentor.

"He had a sense, always, for the right thing to do," Foley said. In the 1950s, when it was political suicide, Magnuson urged the

country help bring Communist China out of isolation.

Richard Nixon's initiative 20 years later, and events today in that country, proved he was right, Foley said.

Magnuson was remembered Thursday in Spokane not only for his accomplishments in Congress but for who he was.

"We all smile when we talk about Maggie," Spokane City Councilman Robert Dellwo said at a memorial service in Riverfront Park. "We know we'll never see another man like him."

About 50 friends, supporters and staff members of the former senator gathered behind the Spokane Opera House to share anecdotes and remember the man they loved.

"And who can ask for a greater monument than to be loved," said Sally Jackson, chairwoman of the Spokane Democratic Central Committee.

"Every single major development in this state over the last 40 years, he had his hand in it," said Leonard Jansen, a lawyer who represented Columbia Basin farmers and often worked closely with Magnuson.

When we had a problem, we went to Maggie and he just got it done, Jansen said after the service. "The guy was quiet. He was very unassuming. But he got the job done."

The theme of a quiet man who worked hard for his constituents behind the scenes was echoed again and again by speakers at the service.

Dellwo recalled the time Magnuson would take out of his busy day in the nation's capital to chat with friends from Washington state.

Betty Drumheller, a friend and later staff member, remembered a playful Magnuson playing horse with President Kennedy's young daughter.

Jackson, a Spokane Valley businesswoman, talked of a letter she wrote to Magnuson 20 years ago in which she mentioned having just adopted a child.

Magnuson responded with a long handwritten letter of his own that talked of his family.

"That was very poignant and very personal," Jackson said. "I became a dedicated Magnuson fan."

Magnuson is survived by his wife Jermaine, a daughter and two grandchildren.

[From the Post-Intelligencer, May 22, 1989]

MAGGIE: LAST OF THE GIANTS—DEATH OF FORMER SENATOR BRINGS WARM TRIBUTES

(By Joel Connelly)

WASHINGTON.—As he tried to relax on an unpeaceful Sabbath, House Majority Leader Tom Foley linked two subjects high on his mind: reminiscences of Sen. Warren Magnuson and demonstrations by young people in cities across China.

"Maggie talked about redefining our relationship to China in the early 1950s when the idea was considered tantamount to treason," Foley said. "The Chinese never forgot. Now we see students holding up banners with quotes from Jefferson and Lincoln, while displaying imperfect models of the Statue of Liberty."

A day after Magnuson died in his Seattle home Saturday, former colleagues worked on their memories. They recalled a 36-year Senate career, an era that lasted from FDR's card games to the Reagan landslide, and many times when Maggie was ahead of his time.

And they remembered him as part of a generation of Northwesterners who made their mark in the nation's capital.

"Trees were not the only tall thing to come out of your part of the country," said former Tennessee Sen. Albert Gore Sr., who served with Magnuson for 18 years.

And 93-year-old former Ohio Sen. Frank Lausche added: "What I noticed when coming to Washington, D.C., was the distinctive character of Northwest senators: They aimed to promote justice, and they were deeply independent."

Magnuson was the last of a series of political giants whose faith was shaped by the New Deal, and whose progressive politics helped shape their region. "This really marks the end of an era in the region's public life," remarked Foley.

The honor roll includes:

Sen. Henry Jackson, who was Magnuson's colleague for 28 years in what Senate surveys found to be the most potent one-two combination on "the Hill."

Jackson began his career as a vice-busting Snohomish County prosecutor. He always took himself more seriously than Magnuson, a gravity that hobbled both his bids for the presidency. Although a Cold Warrior, he warmed to China in the mid-1970s and embraced Chinese leader Deng Xiaoping on a 1979 visit to Seattle. Jackson's legacy includes authorship of the National Environmental Policy Act, and still-relevant warnings about U.S. dependence on foreign oil.

Supreme Court Justice William O. Douglas, who developed his sense of justice as a poor boy growing up in Yakima. He honed political skills bringing Wall Street to heel as chairman of the Securities and Exchange Commission in the 1930s.

Douglas served on the high court for 35 years. He was inspiring in defense of the First Amendment, and sometimes infuriating in likening America's political establishment to King George III. As a conservationist, Douglas left a legacy that begins at his back door: The William O. Douglas Wilderness Area adjoins the judge's summer cabin at Goose Prairie in the Cascades.

Oregon Sen. Wayne Morse, who thundered while Magnuson often was barely audible. Morse once talked for more than 22 hours in a filibuster. Over 24 years, however, the two men together fought for public power and hydroelectric development of the Columbia River.

Morse was an iconoclast. He was elected as a Republican, later sat as an independent, and then switched to the Democratic Party. He cast one of Congress' two votes against the 1964 Gulf of Tonkin Resolution, green light for the Vietnam War. He filibustered against government "giveaways" of public resources long before the environmental and consumer movements came on the scene.

Magnuson had other distinguished company. Alaska's Ernest Gruening battled 25 years to create America's 49th state, became a senator at statehood, and cast the Senate's other vote against the Tonkin Resolution. Sen. Frank Church of Idaho arrived in the 1950s, and built a Senate career that ranged from saving Hells Canyon to exposing abuses by the Central Intelligence Agency.

All are gone. In today's Senate, only Oregon's Republican Sen. Mark Hatfield approaches similar stature and service.

Magnuson was a vivid personality—a man who launched hundreds of anecdotes—but also a legislator of productivity and inner purpose.

"I remember when he first proposed mandatory seat belts in new cars. The industry people said the safest thing in an accident was being thrown free of a car," recalled former Indiana Sen. Vance Hartke. "When he wanted to ban flammable children's nightclothes, we heard that the problem was really 'improper' use of matches."

Hartke feels Magnuson remained at heart a populist even when he occupied a vast suite in the Russell Senate Office Building with a red phone connected to the White House.

"He was a lobbyist for people who couldn't afford to have lobbyists," Hartke said.

Foley is on the verge of becoming speaker of the House, arguably the second most powerful position in government. But he recalls coming to Washington, D.C., as a junior committee aide to Magnuson in the early 1960s.

"Magnuson was never puffed up, never affected," said Foley, "but he had a kind of continuous inner sense of what direction he wanted the country to go."

Former Minnesota Sen. Eugene McCarthy, himself a poet, recalled Magnuson reciting Robert Service's "The Shooting of Dan McGrew." And he appreciated how Magnuson, as chairman of the Senate Commerce Committee, shot down Southern opposition to provisions of the 1964 Civil Rights Act outlawing discrimination in public accommodations.

"Maggie rode herd on the agencies," said McCarthy. "He was not content just to pass a law, but recognized the true test came in getting the bureaucracy to enforce it."

Statues and plaques symbolize the role that Northwest political giants have played in the capital.

A bust of "Scoop" Jackson decorates the Russell Building. Ernest Gruening appears as a tall striding bronzed figure near the Capitol Rotunda. A bust and plaque denote William O. Douglas' battle to preserve the C&O Canal towpath, where the judge would work out his hiking legs.

However, Foley gently suggested that Magnuson should be remembered in other ways.

"I remember the story about Thomas Jefferson asking that his tombstone read, 'author of the Declaration of American Independence, of the Statute of Virginia for Religious Freedom, and Father of the University of Virginia,'" Foley said.

"A friend asked Jefferson why he wanted no mention of public offices he had held. Jefferson replied, 'I prefer to be remembered by what I have done for others rather than what was done for me.' So it should be with Warren Magnuson."

Public services will be at 10 a.m. Thursday at Seattle's St. Mark's Cathedral on Capitol Hill.

Mr. ADAMS. Mr. President, that concludes my remarks on Warren Magnuson. I cannot sit down, however, without saying that he has been a living example to me and to many in the State, and we simply hope that we can bring to this body the good humor, the humanness, the understanding that we are all people, the comity and compassion as we carry out our legislative battles, because that made this man great, made the Senate great and the country great.

Mr. REID. Mr. President, I rise today to salute one of the grand old

men of the Senate. I speak of course of Senator Warren Magnuson of Washington who passed away this last weekend.

Although I never had the opportunity to serve with Senator Magnuson, I did have the opportunity to know him. While working my way through law school in the early 1960's, I also worked as a Capitol Hill policeman. At that time, Senator Magnuson, who was already chairman of the Senate Commerce Committee, was in the process of becoming a giant in the Senate. He was later to go on to become chairman of the Appropriations Committee, a committee upon which I now serve, and Senator Magnuson later became President pro tempore of the Senate.

Senator Magnuson gave 45 years of his life of serving the people of Washington and the people of the United States in the Congress, a period spanning three wars and providing the foundation for our society as we know it today. His career can serve as a model for those of any generation. His dedication to service and his strong leadership are goals to which we should all aspire. In short, he was an institution, in this greatest of all institutions.

Mr. GORE. Mr. President, I want to join my colleague from Washington in paying tribute to one of the greatest Senators in the long history of this institution, our late friend Warren Magnuson.

Senator Magnuson served in Congress for 44 years, including 36 years in the Senate. Over the course of a brilliant career, he left his mark on this institution and on this century. Without "Maggie," as his friends always lovingly called him, we are not and never will be the same.

I grew up watching and admiring Warren Magnuson. Like my father, who served with him for 32 years, Senator Magnuson was a son of the New Deal, and an everlasting champion of everything it stood for. He spoke out for Democratic principles all his life, no matter which direction the political winds were blowing and no matter what stood in the way. He fought for affordable housing, better health care, and the needs, hopes, and dreams of working men and women.

On behalf of my family and the State of Tennessee, I want to extend best wishes to Mrs. Magnuson, who is a great lady in her own right, as well as to the many outstanding individuals who worked for Maggie over the years, and the good people of Washington State who believed in him.

Warren Magnuson was a giant, and we shall miss him.

WARREN G. MAGNUSON

Mr. GARN. Mr. President, I join my colleagues today in paying tribute to our distinguished former colleague,

Warren G. Magnuson who passed away on May 20.

Warren G. Magnuson was an institution within one of the most noble of institutions, the U.S. Senate. The citizens of Washington chose Senator Magnuson to represent them in this body four times. They knew his capabilities from his 7 years of service in the House of Representatives, and his prior service in the Washington State legislature. His experience as a legislator began when I was just 1 year old.

Mr. President, I have often reflected, as I have served in this body, on the privilege it has given me to associate with men and women of historic stature; people whose influence will be felt in the Senate, the Nation, and even the world, long after they have departed from this life. Warren Magnuson is one of those whose contributions to his fellow citizens must be acknowledged and admired by all.

Others have detailed his many legislative accomplishments, especially during his years as chairman of the Commerce Committee and then as chairman of the Appropriations Committee, so I will not repeat what has already been said. I had the privilege of serving with him, however briefly, as a freshman member of the Appropriations Committee, and came to an even greater understanding of his unique abilities as a legislator and his fierce devotion to what he viewed as the correct course this Nation should be taking.

Mr. President, I share the sense of loss of my colleagues in the passing of Warren G. Magnuson. We have lost a part of our history, and yet his influence is felt today and will always be a part of the heritage of this institution. I express my deepest sympathy to his family and loved ones, and hope that they can take some comfort from the knowledge of the proud legacy he has left them and the tremendous record of service and achievement he has given his fellow man.

TRIBUTE TO SENATOR WARREN GRANT MAGNUSON

Mr. EXON. Mr. President, when I joined the Senate in 1979 I was appointed to the Commerce Committee which was chaired by Senator Warren Grant Magnuson, a position he held for 23 years. His mark was and is on the committee. Many of the rights and privileges that we have today bear the imprint of this great man, his understanding, his skill, and his leadership.

Warren Grant Magnuson's contributions to this country are great. He introduced legislation to found the National Cancer Institute at a time when cancer was an unmentionable disease much as AIDS is today.

Upon reading stories of children being burned to death when their pajamas caught fire, Senator Magnuson introduced and achieved enactment of legislation mandating that all chil-

dren's nightwear be made of nonflammable fabrics.

He originated the Public Accommodations Act of 1964 which was a precursor to the Civil Rights Act of 1964. And he was largely responsible for the legislation extending our offshore fishing rights to 200 miles.

Mr. President, these are just a few of his accomplishments. There are so many more. Warren Magnuson's vision touched all of our lives and, while I had the privilege of working with him for just a few short years, it was a great privilege. His passing is a fitting occasion to remind all Americans that one person can make a difference. Indeed, his accomplishments are proof that one person can make a very great difference in this world.

Senator Magnuson will be missed by those of us fortunate enough to have known him and worked under his leadership. While many may not have known him and some may never have heard of him, generations to come will benefit from his vision, his legislative skill and his achievements.

A TRIBUTE TO WARREN MAGNUSON

Mr. KOHL. Mr. President, I never served with Warren Magnuson nor did I have the privilege of ever meeting the man. Yet Maggie made an impact on my life—just as he did on the lives of millions of other Americans who had no personal contact with him.

Part of that impact came from the legislation he initiated and the causes he fought for—protecting consumers throughout the country and protecting the environment of his beloved Northwest. Part of his impact came from the legions of "minor Maggies" he spawned—from colleagues in the Congress to Commissioners in Federal agencies. No segment of American life was untouched by people who learned about Government and public service from Warren Magnuson.

From all I know about Warren Magnuson, I think he would be pleased by the fact that his legacy is found in both legislation and people. After all, he never viewed legislation as an end in and of itself—he always viewed it as a means to help people. We may amend the bills he wrote, but none of the people he helped train will ever accept or need an amendment—they will remain as he was: dedicated to helping make America a better and stronger and more humane Nation.

While I never got to meet Warren Magnuson, I have heard stories about him. His colleagues still recall his style and members of my staff, who know members of his family, have often mentioned his continued interest in this institution and his mastery of it.

Mr. President, as we look at the events of the last few weeks—the slaughter in China, the loss of men like Claude Pepper and Warren Magnuson—we sometimes think that the world is changing too much, too fast.

We want some stability, some sort of immovable center. Warren Magnuson was and is that sort of center: unyielding in his love of country, immovable in his commitment to working men and women, uncorruptible in his faith in the democratic process. We may not see his like again—but we will enjoy the fruits of his labor for years to come.

TRIBUTE TO SENATOR WARREN GRANT MAGNUSON

Mr. HEFLIN. Mr. President, I rise today to pay tribute to one of the most influential and longest serving Members of the U.S. Senate—Warren Grant Magnuson. Although born and raised in Moorhead, MN, Senator Magnuson spent his entire adult life serving the good people in the State of Washington. His death on May 20, 1989, saddened all of us who knew him and reminded us all of his loyal service to his State and his country.

Warren Magnuson was an adopted child who rose to the heights of power in the Senate with his election as President pro tempore in 1979. Along the way, he touched thousands of people's lives and helped make this country a better place to live. It seems that wherever he went, Warren rose to positions of leadership. He earned both his B.A. and J.D. degrees from the University of Washington and soon thereafter, his bent for public service surfaced as he served as the first editor of the Seattle Municipal News.

Government service called Warren when he was elected to the State House of Representatives in 1932. From that day until his retirement from the U.S. Senate on January 2, 1981, Senator Magnuson served the people of Washington for almost half a century. He held positions as an assistant U.S. district attorney, prosecuting attorney for King County, U.S. House of Representative Member for 8 years, and U.S. Senator for 37 years. Warren's term as Senator made him one of the most senior Members in the history of the Senate. Only five Senators served longer since the Senate began in 1789.

Senator Magnuson rose to become the chairman of both the Appropriations and Commerce Committees. He had an incredible understanding of a wide range of issues. He could not be placed into simple categories because he was such a diverse man.

Mr. President, Warren Magnuson was an outstanding legislator, a good man, and a patriotic American. It is my hope that the U.S. Senate will be fortunate enough to always have Senators with his energy and his foresight.

Thank you, Mr. President.

TRIBUTE TO SENATOR WARREN G. MAGNUSON

Mr. PELL. Mr. President, I am pleased to join my colleagues in paying tribute to the late Senator

Warren G. Magnuson of the State of Washington.

I had the pleasure of serving with "Maggie" here in the Senate for 20 of the 36 years that he served in the Senate. In his legislative leadership, in his skill as a committee chairman, and in his ability to produce real results Warren Magnuson was one of the giants of the Senate.

I was fortunate when I came to the Senate in 1961 to have several legislative interests and objectives that I found I shared with Senator Magnuson. I found him to be extraordinarily helpful in the successful pursuit of legislation in these areas of shared interest.

Senator Magnuson was the acknowledged Senate leader in pressing for advances in the marine sciences and oceanography. It was with his invaluable assistance that I was able to persuade the Congress to pass legislation in 1966 establishing the National Sea Grant College Program.

In transportation, I found Senator Magnuson an indispensable ally as I pursued the improvement of rail passenger service in the Northeast corridor between Boston and Washington.

And later, as chairman of the Subcommittee on Education, I found Senator Magnuson an unfailing source of support for the funding of education programs when he was serving as chairman of the Labor-Health-Education Subcommittee of Appropriations and as chairman of the full Appropriations Committee.

Senator Magnuson was a good friend and a gifted legislator who achieved much for his home State of Washington and for the Nation. I am saddened at his death and I extend my deepest sympathies to his wife, Jermaine, his children and his grandchildren.

SENATOR WARREN G. MAGNUSON

Mr. BIDEN. Mr. President, there are times when it is all too easy to get so caught up in the polls, press clippings, and power struggles of the political arena, and forget that the purpose of government, and presumably the reason that each of us sought elected office, is to improve the lives of its citizens. During his 44 years in the halls of Congress, Senator Warren Magnuson was a living reminder of that principle.

As chairman of the Commerce, Science, and Transportation Committee, and later of the Appropriations Committee, Warren Magnuson recognized that there was much that the Federal Government could do to improve the safety and quality of people's lives. He set about using his considerable legislative skills to make those improvements.

Today, Senator Magnuson's legacy is woven into the fabric of our daily lives. When I go to the grocery store, truth-in-packaging laws tell me exactly what is in the products I purchase.

When my wife leaves for work, I know that the car she is driving has been subjected to rigorous testing to ensure that it meets safety standards. If someone offers one of my boys a pack of cigarettes, I know that a label on the pack will warn him of the dangers of smoking. And when my daughter kisses me goodnight and heads upstairs to bed, I know that her pajamas are made of a flame-retardant material.

Each of those things that make life a little bit safer for me and my family is the result, either directly or indirectly, of legislation that Warren Magnuson pushed during his long career here in the Senate. And at a time when the public perception of Congress, and perhaps our own perception of ourselves, are in need of strengthening, I think we can look to Warren Magnuson's long and productive career as an example of what public service is all about, of the good we can do when we put our mind to it.

I served with Senator Magnuson for 8 years. We were colleagues on the Budget Committee. He has been referred to as the "consummate Senate insider," and if that means that he knew the ins and outs of the workings of this body, it is an assessment I would share. But I think a more fitting characterization would be that Warren Magnuson was "the consummate legislator," a man who could see a need, visualize a solution, and work to turn that vision into reality.

When he went home to Seattle to begin his retirement, Warren Magnuson could point to a great many improvements in the daily lives of millions of Americans and say, "I had a hand in that."

Each of us should be so fortunate.

EULOGY TO A GREAT SENATOR

Mr. GORTON. Mr. President, it is with both humility and respect that I rise to pay tribute to the late Senator Warren G. Magnuson.

In this body, it is customary to praise our colleagues, often effusively. In society at large, we use the term "great" so often as to trivialize it. But Senator Magnuson was truly a great U.S. Senator. I believed that was true before I ran against him, and I still believe that to be so. The measurement of the man can be taken many ways, but the sum is the same.

One measure of this greatness is the constancy and object of his vision. For nearly 50 years of public service, Maggie always sought to serve and protect those in need. This gave rise to his longstanding focus on health research and health services; to his unequal record of consumer protection legislation; to his landmark efforts to protect the environment; and to providing tools for economic development, especially of the Pacific Northwest.

An obvious measurement of this greatness is legislative achievement. In

this respect, too, Senator Magnuson was without equal.

In 1937, during his first year in the House of Representatives, Maggie introduced and passed legislation establishing the National Cancer Institute. That this was visionary is beyond dispute; that he did so as a freshman in the golden age of seniority is extraordinary. Throughout his 44 years here, Maggie added again and again to his legacy of achievement in national health research and services. In 1948 he fathered the National Heart Institute, in 1969 he created the National Health Services Agency, which provides incentives for health services in rural areas. Along the way, he supported every major piece of health legislation passed in Congress. To honor him, in 1980 the Congress named the Clinical Center of the National Institutes of Health the "Warren Grant Magnuson Clinical Center."

When I was attorney general of the State of Washington, consumer protection was one of my highest priorities. Senator Magnuson and his staff worked closely with me, and I admired his work. As chairman of the Senate Commerce Committee for 23 years, Senator Magnuson created the Consumer Affairs Subcommittee, and authored more consumer legislation than anyone in the history of Congress. Among his many important achievements are the Truth-in-Packaging Act; the Fair Credit Advertising Act; the Flammable Fabrics Act; the poison prevention packaging law, and the law requiring cigarette makers to warn consumers of the health hazards of smoking. There are many, many others.

Senator Magnuson cared as deeply about the environment as he did about people. Many of this Nation's most important environmental laws bear his mark: the landmark Coastal Zone Management Act of 1972; the Marine Mammal Protection Act—along with a famous "little amendment" to prohibit construction of an oil superport inside Puget Sound. In the Ports and Waterways Safety Act and the Port and Tanker Safety Act, Senator Magnuson established the most stringent tanker safety standards in the world and funded creation of the radar traffic safety system in key harbors around the Nation. Thankfully, Senator Magnuson also helped write the basic legislation imposing strict liability on the owners and operators of tankers to pay for oilspill damages.

Mr. President, the Senate very soon will begin to consider reauthorization of the Magnuson Act, praised from Alaska to Maine as the most important fisheries conservation legislation in U.S. history. In 1975, Senator Magnuson established in this law the 200-mile limit, which asserted the right of this Nation, and others, to control and

conserve and manage their fisheries. Many rightfully believe this one act literally saved our commercial fisheries from extinction. While today we wrestle with how best to manage our fish resources—no simple task—it is clear to this Senator that without the Magnuson Act we might well have nothing left to wrestle over. Now we owe it to Maggie, and to ourselves, to act wisely once again.

Greatness is also measured, Mr. President, in seemingly small ways. Senator Magnuson achieved great influence in this body and throughout the Federal Government. But he always aspired to just be the best Senator he could be for his beloved State of Washington. Maggie never let his ego grow with his power. He never shifted his attention from the needs of the common man, the less fortunate, and those who could not protect themselves.

Maggie, in turn, was beloved and respected by the people of the State of Washington, and by his colleagues. And though the voters of my State once honored me with the responsibility of succeeding Maggie after he had served them for 50 years, I do not believe they ever expected anyone to truly replace him.

After I was elected, I often visited Senator Magnuson on my trips home. As I served, I came to appreciate him even more. We shared a convert's love for our adopted State. We shared common interests in consumer and environmental protection, fisheries issues, and many others. Maggie was blessed with a marvelous sense of political humor, and the wonderful capacity to do political battle without creating ill will or lasting grudges. Our campaign was honorable and without rancor; I considered us friends before and after.

On his passing May 20, Warren G. Magnuson left a great legislative and political legacy. He was truly a great Senator.

Godspeed, Maggie.

THE LATE SENATOR WARREN G. MAGNUSON

Mr. MOYNIHAN. Mr. President, I am at the bittersweet moment of rising to join in the colloquies which are taking place this morning in memory of our dear former colleague, Warren G. Magnuson, from the State of Washington; "Maggie" to one and all.

It happened that I was able to take part in his last campaign, in 1980, in the State of Washington. I went around with him and spoke on various occasions. He had a wonderful sense about what it meant to have his position here in the Capitol, here in the Senate, and about what 44 years of public life had brought to him.

Because he was getting on, like anyone his age, the muscular-skeletal system does not what they would say—and those who helped set up the Na-

tional Institutes of Health would probably say it—does not work quite as it did when you were a young prosecutor. And he would shuffle a bit, and sometimes take extra time to make his way to the next meeting. But he had this wonderful saying. He would say: "I may be a little bit late, but the meeting doesn't start until I get there," because he was chairman of Appropriations, the most eminent of offices of which we recognize its great power. It requires great reserve, great capacity for fairness, for justice, and for perspective.

And when Maggie would say, "The meeting doesn't start until I get there and I may be a little late," it could be said with particular effect by a man who had been ahead of everything for half a century. There are very few large ideas that he did not come to see early and stay with until late, right to the end. He was, of course, a very dear associate of Henry M. Jackson, "Scoop" Jackson—"Maggie" and "Scoop," that incomparable pair of Scandinavian and Norwegian from the old Northwest Territory, together, two, easy, different persons really but with so much the same politics, the same constituencies, and the same concerns.

Maggie was the older, at war in the Second World War, at sea, very much aware of what a close run thing the Pacific war had started out to be, very much aware of the might of the United States which brought the war to its conclusion and the responsibilities that carried over into the world that followed.

Scoop was overwhelmed by the experience of Norway and the account of what it could mean to be defenseless against a totalitarian onslaught in the case of Nazi Germany.

They were new dealers. They believed in working people. They believe in their rights and their well-being. They were developers. They were men of the frontier. There was nothing they would talk to you about with greater enthusiasm than the development of the Columbia River Basin, with all those great dams and enterprises that brought to it what I suppose, if not the highest standard of living on Earth, the nicest, unless you absolutely demand sunshine every day of your life, and why should you do that?

They were gentlemen, honorable in a way that I would never dare say is lost, but to the degree that we are such as we are in this time, we are reflecting what they were in theirs.

I owe a very special debt to Maggie. He taught me, without the slightest indication that he might be doing so. He sort of taught you in your first speeches and in your first effort to handle legislation that was really very particularly related to your own State; he would ask the kinds of questions

that try to give a universal cast to what was a very parochial concern, but what was legitimate in his view. All politics was local in his view, and it was that local base which made large and universal propositions possible, feasible, and true when they arose from such events.

He would never leave the floor when I had something which in the end required his approval, and, in the way he had you do it, you learned how it was done.

It was his particular charm to be indirect, to be avuncular, I think is a fair way, and to connect so the memory so that the institutional memory would not be lost of a simpler time and a simpler government.

He used to love to tell the tales of the 1930's when Franklin D. Roosevelt, having known great purpose of the evening, known great enterprise, a speech to make and so forth, and looking for company would do what Americans in his time would do. He would ask some friends down to, in this case, the White House to play poker. And then they would sit around and play poker through the evening, which was a great American pastime, and I think probably as educating an experience as television surely would be, and he would tell how at the end of the evening they would settle up the accounts.

He would not think that Roosevelt was all that good a poker player, at least not as good as the Senators he would be playing with. At the end of the evening, there was usually a sum to be settled. It never failed, the very careful huts and valley gentleman farmer that Franklin Roosevelt was, to see to it that he paid his losses, his poker losses, by check, as Maggie would recall, on the National Bank of Poughkeepsie, as he would describe it. He would write it out to the last little penny and sign it in the perfect and confident knowledge that it would never be cashed. And those small economies reflected an earlier era, a kind of shared conspiracy of good humor and fellowship among people whose brief authority had come. His was not a brief authority—half a century, a rare opportunity and rarely fulfilled. We do not mourn him. We celebrate, and we send our great regards to his companion, his wife, the love of his life, Jermaine.

Mr. President, I thank the Senate for this opportunity to speak of a dear, departed Member of this body.

SENATOR WARREN G. MAGNUSON

Mr. BINGAMAN. Mr. President, I am honored to be able to offer tribute to the late Senator Magnuson. I request that I did not have the privilege of serving in the Senate during any part of his long and illustrious career, a career that spanned nearly a half century of service.

We are all aware, Mr. President, of Senator Magnuson's great legislative achievements and the good work he did on behalf of the people of Washington State. He labored tirelessly and effectively for those issues about which he cared so much. One of the very best accounts of that kind of labor, the kind of work that goes into the success he enjoyed, is a book called "The Dance of Legislation" by Eric Redman who served as an assistant to Senator Magnuson. I am sure most of my colleagues are familiar with this fine book. Certainly we are all familiar with the action, frustration, machination and occasional exhilaration involved in the legislative process. Mr. Redman's book traces the history of the national health service bill, one of Senator Magnuson's legacies to this country. It is a study I have found particularly instructive not only on the operations of this place but on the nature of Warren Magnuson. So valuable a lesson does the book offer and so good an example of devotion was Senator Magnuson, that I give every employee and intern a copy when they start in my office. They learn, when they read it, what so many others know—Warren Magnuson was a treasure and his like won't be seen again soon.

Thank you, Mr. President.

WARREN G. MAGNUSON

Mr. DANFORTH. Mr. President, last month we lost a giant of the Senate—Warren G. Magnuson.

When I first came to the Senate in 1978, I was assigned to the Senate Committee on Commerce, Science, and Transportation. Warren Magnuson had just completed an illustrious 22-year tenure as chairman of that committee and had been named chairman of the Senate Appropriations Committee. When I assumed the chairmanship of the Commerce Committee in 1985, I became the fortunate heir to an admirable legacy of Commerce Committee activity initiated by this remarkable man.

Senator Magnuson authored major consumer and environmental legislation during his Senate career. Two statutes which carry his name are particularly worthy of mention. The first is the Magnuson-Moss Warranty Act of 1974, which requires manufacturers to live up to the promises made in their product warranties. This legislation still serves as a major protection for American consumers. The Magnuson Fisheries Management and Conservation Act, which established a 200-mile limit on foreign fishing vessels, is the statutory foundation for policies to conserve our ocean's resources. This law continues to protect the legitimate rights of U.S. fishermen against foreign interlopers.

The breadth of Warren Magnuson's legislative influence is amazing. His initiatives established the National

Science Foundation, the Consumer Product Safety Commission, Amtrak, the National Institutes of Health, and the National Cancer Institute. He has truly touched the lives of every American in some fashion.

I am a proud citizen of the "Show Me" State. We Missourians always require hard evidence before we're convinced by an argument or a point of view. Warren Magnuson had that same pragmatic attitude. I am told that, shortly after his installation as President pro tempore of the Senate, "Maggie" entered his new offices in the Capitol. Looking around, he spotted a telephone serviceman working on some cables. "What are you doing?" inquired Maggie, in his inimitable gruff manner. "I'm hooking up your direct line to the Oval Office, sir," was the reply. "When you pick up the phone, the line will automatically ring at the White House." No sooner had the serviceman left than the new President pro tempore picked up the phone, waited a moment, and then said, "Sorry, wrong number" and hung up. That was Warren Magnuson—a man who confronted a problem, put the question, and got the answer for himself. That same practical directness served him well for over 40 years in the U.S. Congress.

Walter Lippmann, the great American journalist and Magnuson's contemporary, once said, "The final test of a leader is that he leaves behind him in other men the conviction and the will to carry on." Warren Magnuson has done just that. The Senate Commerce Committee is the proud "keeper of the flame" for the many legislative achievements of its former chairman. The Senate as an institution will remain true to his legacy of forthrightness, compassion, and civic duty. And the Nation is the fortunate beneficiary of that legacy.

WARREN MAGNUSON

Mr. BAUCUS. Mr. President, my fellow Senators and I are deeply saddened by the death of our former colleague Warren Magnuson. Maggie represented the people of the State of Washington in Congress for 44 years. In over 4 decades of service, 36 years of which were in this body, he did much to improve the lives of us all.

Maggie believed there were two kinds of people in Congress—show horses and work horses. Maggie was a work horse. He was always more concerned with helping people than with making headlines.

Maggie helped push through landmark legislation in the fields of health, consumer, and environmental protection. In 1937, the first bill he got passed created the National Cancer Institute. In 1948, he sponsored legislation establishing the National Health Institute. We as consumers are safer today because of his work resulting in the Door-to-Door Sales Act, the Truth

in Packaging Act, and the Flammable Fabrics Act.

The citizens of the Northwest will probably remember Maggie most for his support of environmental protection. His Marine Mammal Protection Act saved endangered mammals in Puget Sound and all of America's coasts.

Warren Magnuson set the standard we all now strive to meet.

TRIBUTE FOR WARREN GRANT MAGNUSON

Mr. PACKWOOD. Mr. President, within the last 2 weeks, we have seen the passing of two of this body's finest and greatest statesmen, Warren Magnuson and Claude Pepper.

Of particular noteworthiness, each contributed decades of their lives, both in the U.S. House of Representatives and the U.S. Senate, to serve well the States they represented and the country they cared so much for. Their careers were exemplary and distinguished.

Maggie, as many of his friends and colleagues affectionately called him, was an extraordinary politician. The endless stories of accomplishments and victories he and his partner at that time, Henry "Scoop" Jackson, achieved for the State of Washington will forever live in the history of the U.S. Senate and the memories of all of us who observed the man at work. The pair's ability to bring home much sought after Federal dollars when Maggie was chairman of the Senate Appropriations Committee, appropriately earned them the nickname the "Gold Dust Twins."

In the mid 1970's, I had the opportunity to work with Maggie when he was chairman of the U.S. Senate Committee on Commerce, Science, and Transportation. At the time, I was not yet a member of the committee. I remember being extremely honored and flattered when Maggie made a highly unusual request asking me to serve on the conference committee that was working on the 1976 Magnuson Fishery Conservation and Management Act. The bill established an exclusive economic zone extending 200 miles from shore, and it gave the U.S. exclusive management authority over certain kinds of fish and oceanic life. It was the first bill of its kind to begin managing our fisheries, and it was extremely important to the Northwest; it still is today. I was very honored and touched by the gesture.

To say that Maggie was a leader is an understatement. He held chairmanship posts throughout most of his congressional career and distinguished himself in the areas he was most concerned about. He delivered well for Washington and made his State proud.

I extend my sympathies to Maggie's family and hope these shared

thoughts will offer some comfort during this difficult time.

TO EXPRESS SORROW AND REGRET ON THE DEATH
OF SENATOR WARREN G. MAGNUSON

Mr. DOMENICI. Mr. President, I was greatly saddened by news of the passing of my friend and former colleague, Senator Warren G. Magnuson.

Everyone who served in this body during the tenure of Senator Magnuson carries wonderful memories of the man. We knew him as Maggie, and we knew him for his warm humor, his good will, his vast charm, and his legislative leadership.

The world is a sadder place without this great man.

Those of us who had the great honor to know him and benefit from his wisdom during his many years of service to the State of Washington and to our Nation join his family in mourning this wonderful man.

Born in 1905, Senator Magnuson began his service to the public in 1929 when he became the first editor of the *Seattle Municipal News*. Subsequently, he became secretary of the Seattle Municipal League, a position he held until his election to the State House of Representatives in 1932.

Four years later he was elected to the U.S. House of Representatives.

During World War II, he served in the Judge Advocate General's Corps, with rank of lieutenant commander, was on the staff of Adm. Chester Nimitz in the Pacific theater, and served aboard the U.S.S. *Enterprise*.

In 1944, Mr. Magnuson was elected to his first term in the U.S. Senate. He served in this body until 1981, a record of service in the Senate that has been exceeded by only five other Members since the founding of the Nation.

While in the Senate, he chaired the Commerce Committee for 23 years, a record that is likely to stand for many decades. He also held great influence as the chairman of the Appropriations Subcommittee on Labor, Health and Human Services, and later as the chairman of the full Appropriations Committee.

And I think we all know that when Maggie wanted to get something done for the people of Washington, it got done.

He also held many leadership positions within the Congress, including assistant majority whip in the House, chairman of the Alaskan International Highway Commission, and chairman of the Democratic Senatorial Campaign Committee.

Senator Magnuson concluded his service to the Senate in 1981 following 2 years as the President pro tempore.

I know that I speak for everyone who knew this great man when I extend to his widow, Jermaine Elliott Magnuson, as well as to his daughter, Juanita Garrison, and his two grandchildren, my deepest sympathy.

We will miss Maggie greatly.

WARREN MAGNUSON

Mr. COHEN. Mr. President, today I would like to honor the memory of one of the modern day great men of Congress, my former colleague, Warren Magnuson of Washington.

Senator Magnuson will be remembered as a champion of the little guy, as a public servant who gave his time and energy to the business of Government but whose heart and soul always remained with the people.

Through four decades in Congress Warren worked tirelessly to protect American consumers, defend the environment, and promote civil rights for all citizens.

The issues he involved himself in—child safety, bus safety, clean drinking water, warranty protections, and rural health care, to name a few—speak to his concern for helping American families deal with the very real everyday problems before them.

His chairmanship of the Commerce and Appropriations Committees were marked by sound judgment and sage leadership. Consequently, his name is linked to some of the most significant pieces of legislation Congress has passed in recent decades.

Putting his seniority and clout to use for Washington State and for the Nation, Warren always went to bat for these people programs. It was clear to all of us that he was driven by a tremendous commitment to the citizenry as well as an extraordinary social conscience.

Warren Magnuson's career has served as a model of dedication and effectiveness. And clearly, his legacy will live on in this Chamber for years to come.

WARREN MAGNUSON: A GIANT AMONG MEN

Mr. MATSUNAGA. Mr. President, many claim that death is the great subtractor, that it cheats the world of good and noble people. Well, today I offer a shining example of a giant among men that refutes that claim. I offer a final salute to a special friend and dear former colleague of mine, Warren G. Magnuson, whose very life and legacy far outshine the shadow of his death.

Maggie, as his friends and colleagues affectionately called him, devoted his life in the halls of Congress to serving the people of the State of Washington. For over four decades—8 years in the House of Representatives and 36 years in the Senate—he balanced the intricacies of power politics and people-oriented programs, old-fashioned compromise and never-out-of-fashion compassion.

I will remember Maggie not so much as a man of his times but a man ahead of his era. He was truly a visionary who pointed the way for his fellow Americans toward a safer, saner world. Indeed, before the age of Consumer Reports and Ralph Nader, Maggie led the way as Chairman of the Subcom-

mittee on Consumer Affairs toward truth in packaging, consumer clothing safety, and door-to-door sales legislation.

In the field of health, Maggie again blazed a path in 1937 when one of his first bills led to the creation of the National Cancer Institute. This, in turn, was followed in 1948 with the birth of the National Health Institute. These formed the core of the National Institutes of Health, from which countless Americans and citizens worldwide have benefited.

My dear friend and colleague again rolled up his sleeves in 1964, when he fought for the Civil Rights Act. He rallied the troops to ensure equal treatment and the restoration of the dignity and civil rights of all Americans.

When I first came to this chamber in 1977, after seven consecutive terms in the House, and sought to advance the call for clean and renewable energy resources, I found that Maggie was already two steps ahead of me. As the Chairman of the powerful Senate Appropriations Committee and a staunch champion of marine interests, he had already successfully led the fight to enact the Marine Mammal Protection Act and the Coastal Zone Management Act of 1972. He was an environmentalist of the first order.

Maggie once remarked that there are two kinds of people in Congress: show horses and work horses. No doubt he was a work horse, galloping off toward multiple goals and battles, seldom resting, advocating the interests of the weak and unprotected. I would like to think that hardworking, tireless Maggie is now a leisurely rider on a handsome white steed laughing at death and adversity; but that would not be vintage Maggie. No, Mr. President, far off on the horizon, I see a wisp of kicked-up dust which proclaims, "Maggie rode this way but has veered off on yet another path; somewhere, he heard there was work to be done."

HONORING FATHER EMIL KAPAUN

Mr. DOLE. Mr. President, on May 25, 1989, Father Emil Kapaun was posthumously awarded the Prisoner of War Medal in a ceremony at Kapaun Mount Carmel High School in Wichita, KS.

Father Kapaun first served as a chaplain during World War II, as well as during the Korean war. Those who served with him in the Korean war described him as the best and bravest foot soldier they ever knew.

Father Kapaun set an example for his men by caring for the dying, wounded, and sick, finding food to contribute to the communal source, and volunteering for duties that were un-

popular with the men. He inspired other prisoners not to lose their determination to live nor their dedication to their God and country.

Father Kapaun died among the men he served in a POW hospital overlooking the Yalu River in 1951, at age 35.

Mr. President, I request an article further describing Father Kapaun's life be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wichita (KS) Catholic Advance, May 18, 1989]

(By Christopher M. Riggs)

Army chaplain Emil J. Kapaun, armed only with the love of God, was described by those who served with him in the Korean War as the best and bravest foot soldier they ever knew.

Fr. Kapaun, a Wichita diocesan priest, is buried somewhere along the Yalu River in North Korea. He died in a prison camp at age 35.

"If I don't come back, tell my Bishop that I died a happy death," Fr. Kapaun told fellow prisoners as he was carried away to the "hospital" where prisoners were taken to die.

Seven months before, Fr. Kapaun, who also served as a chaplain in World War II, was taken prisoner as he said the last rites over a dying soldier. The priest was captured after refusing an order to try to escape through the surrounding enemy after the 8th Cavalry was overwhelmed on Nov. 2, 1950.

In the first week of his capture, the Chinese allowed Fr. Kapaun and his fellow prisoners to eat one pound of millet or cracked corn per man per day.

"It was obvious, Father said, that we must either steal food or slowly starve," said fellow prisoner, 1st Lt. Mike Dowe. "So, standing before us all, he said a prayer to St. Dismas, the Good Thief, who was crucified at the right hand of Jesus, asking for his aid. I'll never doubt the power of prayer again."

Lt. Dowe said Fr. Kapaun risked his life by sneaking into fields around the prison compound to look for hidden potatoes and sacks of corn.

"The riskiest thefts were carried out by daylight under the noses of the Chinese," Lt. Dowe said. "The POWs cooked their own food, which was drawn from an open shed some two miles down the valley."

"When the men were called out to make the ration run, Father would slip in at the end of the line. Before the ration detail reached the supply shed, he'd slide off into the bushes. Creeping and crawling, he'd come up behind the shed, and while the rest of us started a row with the guard and the Chinese doling out the rations, he'd sneak in, snatch up a sack of cracked corn and scurry off into the bushes with it."

Fr. Kapaun would always put the corn into the communal pot, an example that other men, who would steal food for themselves, were shamed into following.

As the unsanitary conditions and unhealthy diet took their toll on the men, the priest from Kansas was there to help.

"Even when they died, he did not abandon them," Lt. Dowe said. "The POWs buried their own dead . . . men dodged this detail whenever they could. But Father always volunteered. And at the grave as the earth covered the naked body—for the clothing of

the dead was saved to warm the living—he would utter for them the last great plea: 'Eternal rest grant unto him, O Lord, and let perpetual light shine upon him.'"

After helping the dead and the wounded, Fr. Kapaun would escape to the houses where the enlisted men were held. He would give a quick service starting with a prayer for the men who had died in Korea and for their families.

"Then he would say a prayer of thanks to God for the favors he had granted us, whether we knew about them or not," Lt. Dowe said.

"Then he'd speak, very briefly, a short, simple sermon, urging them to hold on and not lose hope of freedom. And above all, he urged them not to fall for the lying doctrines the Reds were trying to pound into our heads."

"Be not afraid of them who kill the body," he'd say, quoting the Scriptures. "Fear ye him, who after he hath killed, hath power to cast into hell."

"By his very presence, somehow, he could turn a stinking, louse-ridden mud hut, for a little while, into a cathedral," Lt. Dowe said.

Fr. Kapaun did much more for the men. He gathered and washed the foul undergarments of the dead and distributed them to men so weak from dysentery they could not move.

"He washed and tended these men as if they were little babies," Lt. Dowe said. "He traded his watch for a blanket and cut it up to make warm socks for helpless men whose feet were freezing. The most dreaded chore of all was cleaning the latrines, and men argued bitterly over whose time it was to carry out this loathsome task. And while they argued, he'd slip out quietly and do the job."

Because of their diet, the prisoners became sick and weak, and soon many of them began to show signs of starvation, but one day their diet was different.

"The night before St. Patrick's Day, Father called us together and prayed to Saint Patrick, asking him to help us in our misery," Lt. Dowe wrote. "The next day, the Chinese brought us a case of liver—the first meat we had had—and issued us golan instead of millet. The liver was spoiled and golan is sorghum seed . . . but to us they were like manna. Later he prayed for tobacco, and that night a guard walked by and tossed a little bag of dry, straw-like tobacco into our room."

As the prisoners continued to weaken, the communists intensified their propaganda. The prisoners would sit for hours in lectures while Comrade Sun, a fanatic who intensely hated Americans, assailed capitalism. After the lecture the men would have to comment on "the great truths revealed by Comrade Sun."

Some men were thrown into a freezing hole for their comments about the lectures, Lt. Dowe said. Others veiled their ridicule: "According to the great doctrines taught us by the noble Stahn, Lenin, Marx, Engels, Amos and Andy . . ." the men would say.

"Father was not openly arrogant, nor did he use subterfuge," the lieutenant said. "Without losing his temper or raising his voice, he'd answer the lecturer point by point, with a calm logic that set Comrade Sun screaming and leaping on the platform like an angry ape."

Fr. Kapaun was never punished, although he was threatened and warned.

In another incident, two officers who knew him well were tortured into accusing Fr. Kapaun of slandering the Chinese and

of displaying a hostile attitude toward his captors, he said: "You never should have suffered a moment, trying to protect me."

Lt. Dowe said after the torture, the men expected a trial in which Fr. Kapaun would never return. "Instead, they (the Chinese) merely called him in and bullied him and threatened him. We realized then what we had half known all along. They were afraid of him. They recognized in him a strength they could not break, a spirit they could not quell."

On Easter Sunday, 1951, Fr. Kapaun challenged his captors again, openly flouting their law against religious services.

"He could not celebrate the Easter Mass, for all his Mass equipment had been lost at the time of his capture . . . He told the story of Christ's suffering and death, and then, holding in his hand a Rosary made of bent barbed wire cut from the prison fence, he recited the glorious mysteries."

The next Sunday Fr. Kapaun collapsed while holding another service. Although he was weak, he battled dysentery, pneumonia and an infection in one of his legs and eyes.

During the last day Fr. Kapaun spent with his fellow prisoners, Lt. Walter Mayo Jr., said the chaplain was in great pain. "His face was contorted with pain every few minutes and we were all pretty much scared."

With tears rolling down his face he began telling the men the story of the Seven Macchabees in the Old Testament.

"There was an emperor who had an old woman brought up before him. He told her to renounce her Faith or he would torture and kill her. She replied that he could do anything he wanted, but she would not renounce it."

"The emperor then had her seven sons brought in and said he would kill them if she did not do as he said. She still refused and he then put them to death one by one. The old woman was crying and the emperor asked her if she was crying because she was sad. She replied that her tears were tears of joy because she knew her sons were in heaven."

"Father then looked at us and said he was crying for the same reason. He said that he was glad he was suffering because Our Lord had suffered also and that he felt closer to Him."

"By that time we were all crying," Lt. Mayo said. "Everyone in that room, who had seen scores of people die in the past few months and who thought they were pretty hard."

Soon after, the Chinese came to carry Fr. Kapaun to the hospital. The Chinese saw a good chance to get this man they feared, now that he was helpless. They hated him because he had such an influence over all the prisoners.

"Three or four days later," Lt. Mayo said, "Father died among the men he served, up on a hill overlooking the Yalu River in that communist hospital of death."

Editor's note: Quotations and other parts of this article were taken from "The Story of Chaplain Kapaun," by Msgr. Arthur Tonne and from an article in the Jan. 16, 1954, edition of the Saturday Evening Post.

INTRODUCTION OF S. 1129— RELATIVE TO SECTION 89

Mr. CHAFEE. Mr. President, I am pleased to join Senator BENTSEN and a majority of my colleagues on the Finance Committee in the introduction of an extremely important bill that

will alleviate the complexity of section 89 of the Internal Revenue Code.

As we all know, section 89 of the Internal Revenue Code was created by the Tax Reform Act of 1986, and has been the subject of a great deal of controversy. This section was incorporated into the Tax Reform Act to justify the Federal tax subsidy given to employer-provided fringe benefits and to expand coverage for rank and file employees in plans that are already maintained by their employers.

The original purpose of section 89 was to require coverage of employees who are not highly compensated that is substantially similar to the coverage enjoyed by highly compensated employees. I believe this requirement is fair and that we need rules to prevent discrimination in tax subsidized programs. According to the Congressional Budget Office, the Federal income tax subsidy provided through the tax deduction for employer-paid health and life insurance is \$32 billion for 1990.

The current tax subsidy for health insurance fulfills an important social goal: encouraging adequate health insurance coverage for all Americans. Allowing a tax deduction for employer-paid premiums on a health insurance policy maintained for the owner or the high-paid executives of a business, but not the rank and file employees, does not accomplish this goal. In my opinion, outright repeal of section 89 would be equivalent to allowing discrimination in favor of these owners and high-paid executives.

We all agree that these rules are extremely complicated and impose an unreasonable administrative burden on the employers who provide fringe benefits to their employees. In addition, we know that something must be done to substantially reduce the complexity in and costs of complying with the current nondiscrimination rules. These issues must be adequately addressed to fulfill the original intent of the law to expand health insurance coverage and not cause employers to eliminate coverage.

The bill which we are introducing will accomplish all of these goals, while maintaining the integrity of the original purpose of the section 89 nondiscrimination rules. The first thing this bill will do is delay the effective date of the section 89 rules until January 1, 1990. The bill also repeals all of the current section 89 rules and replaces them with a simple design based test, that requires a qualified health plan to offer affordable health insurance to 90 percent of all employees.

These provisions provide rules to prohibit discrimination in favor of owners and high-paid executives without complex administrative requirements. In addition, this bill addresses all of the concerns that have been raised by American businesses under

the current section 89 rules and the other bills that have been introduced to amend section 89.

I urge my colleagues to join us in supporting a bill that will relieve the administrative complexity of section 89, while fulfilling the social goals inherent in providing a tax subsidy for employer-provided health insurance available to all employees.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, today marks the 1,544th day of captivity for Terry Anderson in Beirut.

I ask unanimous consent that the attached chronology of Terry Anderson's captivity, prepared by the Associated Press, be printed in the RECORD.

There being no objection, the chronology was ordered to be printed in the RECORD, as follows:

CHRONOLOGY OF TERRY ANDERSON'S CAPTIVITY WITH PM-LEBANON-HOSTAGES

NICOSIA, CYPRUS.—Here is a chronology of the captivity of Terry Anderson, chief Middle East correspondent for The Associated Press. He is one of 15 foreign hostages, including nine Americans, missing and believed held in Lebanon.

1985

March 16—Anderson abducted on Beirut street. Telephone caller says Islamic Jihad kidnapped him as part of "continuing operations against America and its agents."

May 16—First photo of Anderson in captivity released. Islamic Jihad warns of "catastrophic consequences" if Kuwait does not free alleged terrorists.

Sept. 9—The Rev. Benjamin Weir, another Islamic Jihad captive, freed after 16 months in captivity. President Reagan says he "will not be satisfied" until remaining Americans also are released.

Oct. 29—Beirut television stations broadcast videotaped birthday message from relatives and friends to Anderson.

Nov. 8—In an open letter, Anderson and three other American captives held by Islamic Jihad call on Reagan to "have mercy" and negotiate with kidnappers. All four hostages are allowed to write to their families. Another letter to the Archbishop of Canterbury appeals for Terry Waite to mediate with Islamic Jihad.

1986

Feb. 15—Anderson's father, Glenn R. Anderson, dies of cancer at age 69.

June 7—Anderson's 46-year-old brother, Glenn Richard Jr., dies of cancer four days after making a videotape from his bed appealing to Terry's captors.

July 26—The Rev. Lawrence Martin Jenco, freed after almost 19 months as hostage, says he was held with Anderson and two other hostages for a year.

Oct. 3—In a videotaped appeal, Anderson and David Jacobsen call on the Reagan administration to work as hard for their release as it did to secure the release of journalist Nicholas Daniloff in Moscow.

Oct. 31—Beirut TV stations broadcast videotape showing Anderson's 16-month-old daughter, whom he has never seen.

Nov. 2—Jacobsen, freed after 17 months in captivity, says hostages "are in hell."

Nov. 15—Islamic Jihad releases new picture of Anderson.

Dec. 28—Fourth picture of Anderson sent by captors to Western news agency in Beirut.

1987

Jan. 16—Islamic Jihad distributes another picture of Anderson.

June 7—Anderson's daughter is shown on Lebanese television on her second birthday saying, "Our hearts are broken. Where is daddy?"

Aug. 2—Sixth photo of Anderson released by Islamic Jihad.

Oct. 21—Islamic Jihad releases another photo of Anderson.

Oct. 27—Anderson turns 40. Friends and family gather at Jefferson Memorial in Washington and AP staff in Beirut goes to his vacant office to mark the day.

Nov. 26—Jacobsen says he learned from sources in the U.S. government and the Middle East that Anderson is being held again in chains and blindfolded 24 hours a day.

Dec. 10—Anderson passes his 1,000th day as a hostage.

Dec. 24—Islamic Jihad release a videotape of Anderson. Appearing to read from a prepared text, he criticizes the Reagan administration for failing to secure the release of himself and other Americans and warns "there's a limit how long we can last."

Dec. 30—A London newspaper reports that a CIA analysis of the tape indicated Anderson may be held in Basta prison in west Beirut with missing Anglican Church envoy Terry Waite.

1988

March 16—Anderson begins his fourth year in captivity.

April 10—Islamic Jihad threatens in a statement, accompanied by a photo of Anderson, that it will kill its captives if any attempt is made to storm a Kuwaiti jetliner hijacked by Shiite extremists.

May 4—Islamic Jihad frees three French hostages.

May 9—Freed French hostage Marcel Fontaine, also held by Islamic Jihad, says Anderson's greatest fear is that the Americans will launch a commando raid to free him, an action he believes would mean his certain death.

Aug. 18—Islamic Jihad issues a photo of Anderson with a statement saying he and another U.S. hostage will not be freed soon, squelching speculation they would be released following the Gulf war cease-fire. It also contains new demands: an Israeli withdrawal from south Lebanon and compensation for the reconstruction of south Lebanon and south Beirut.

Oct. 3—Mithileshwar Singh, an Indian national and U.S. resident alien, is freed.

Oct. 21—Islamic Jihad threatens to "punish" its captives in retaliation for Israeli air raids in south Lebanon. A photo of Anderson accompanies the statement.

Oct. 23—Islamic Jihad threatens in a statement, accompanied by a photo of Anderson, that its American hostages will pay a price that "will reflect adversely" on them if the group's demands are not met.

Oct. 24—Islamic Jihad denies any connection with a Lebanese woman arrested in Milan with a photo of Anderson and another U.S. hostage.

Oct. 27—Anderson is 41, his fourth birthday in captivity. Islamic Jihad issues a photo of him to authenticate a statement again denying any connection with the women held in Milan.

Oct. 31—Islamic Jihad issues a videotape of Anderson to mark his 41st birthday. He

says the U.S. government is impeding his release and adds: "I find it difficult to keep my hope and courage high."

1989

March 16—Anderson begins his fifth year in captivity.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

RECESS SUBJECT TO THE CALL OF THE CHAIR

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess, subject to the call of the Chair.

Thereupon, at 10:45 a.m., the Senate recessed subject to the call of the Chair.

Whereupon, at 12:30 p.m., the Senate reassembled when called to order by the Presiding Officer [Mr. PRYOR].

DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1989

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 2072, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2072) making dire emergency supplemental appropriations and transfers, urgent supplementals, and correcting enrollment errors for the fiscal year ending September 30, 1989, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) McCain Amendment No. 139, to delay for 1 year the implementation of the provisions of the Medicare Catastrophic Coverage Act of 1988.

(2) Mitchell Amendment No. 140 (to Amendment No. 139), of a perfecting nature.

The PRESIDING OFFICER. The pending question before the Senate is amendment No. 140 offered by the Senator from Maine to amendment No. 139 offered by the Senator from Arizona [Mr. McCAIN].

Mr. BYRD. Mr. President, the Pastore rule has not expired for the day, has it?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, I ask unanimous consent that I may speak out of order for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIME MINISTER BHUTTO AND AFGHANISTAN POLICY

Mr. BYRD. Mr. President, the Prime Minister of Pakistan, Ms. Benazir

Bhutto, has today delivered an eloquent but forceful address to a joint meeting of the Congress. She is to be commended for her courage in calmly and competently assuming the reigns of power in Pakistan after the tragic and abrupt killing of her predecessor, General Zia. She is the leader of one of America's key allies, and with whom we successfully prosecuted a policy of assisting the brave and fierce mujahadeen fighters in Afghanistan. Together, we have prevailed in helping those proud resistance fighters wrest back their homeland from the grip of Soviet-armed occupation forces.

I commend Prime Minister Bhutto for her commitment to democracy and to new initiatives in the areas of non-proliferation of nuclear weapons and delivery systems in South Asia, and for her willingness to comply with international safeguards against the production of nuclear weapons. In particular, I commend her highly for her determination to stay the course in rebuffing Soviet continued attempts at hegemony over Afghanistan. She said, "Pakistan and the United States have traveled a long road with Afghanistan in its quest for self-determination. Let us not out of patience or fatigue * * * abandon the course." I applaud her goal of a broad-based democratic political settlement in Afghanistan. I congratulate her on her measured, correct analysis of Soviet behavior and the need to continue our mutual effort to deter and to defeat as it pertains to that unfortunate country, Afghanistan.

Mr. President, it is quite evident that American policy toward Afghanistan is in urgent need of fresh review. A fashioning of a new policy which takes new political and military realities into account is obviously needed. As Prime Minister Bhutto rightly stated, a political solution in Kabul cannot include the leader of the present government, nor others who have for so many years served as Soviet stooges in their brutal attempt to subjugate Afghanistan. But it is also clear that a new political coalition must be formed which can exercise authority as a sovereign nation. The United States and Pakistan need to renew their common efforts to assist in that development, but there is a distinction between assistance and control. If the world has learned anything about the people of Afghanistan, it is that they eschew control. They have never been conquered, and neither the Soviets, nor we, nor the Pakistanis will be very successful in such an attempt, even if we try which, of course, we would never.

The military situation is now in something of a stalemate, and the political range and coherence of the free Afghan movement is in need of development. So long as the Soviets are attempting, as they are today, through

massive continuing arms to their proxies in Kabul, and with hundreds of advisers left to help manage those proxies, to subjugate Afghanistan, the U.S. cannot abandon its program of support, nonlethal and lethal to give the mujahadeen the wherewithal to rebuff those continued Soviet attempts. The proxy regime in Kabul, with critical Soviet stagemanaging, has embarked on a sophisticated political and public relations gambit to divide the mujahadeen resistance and confuse the populace.

If this strategy succeeds in blocking the establishment of an independent national political system free of Soviet control, the efforts of the resistance, the sufferings and the sacrifices will have been frustrated and the Soviets may well have gained their long-sought springboard to destabilize Pakistan and exert political dominance over South Asia.

These political developments have occurred precisely at the time when the new American administration is organizing itself. But we are now at the point that a renewed effort must be mounted on an urgent basis to identify fresh measures that will deny the Soviet political strategy fertile ground among the resistance and the general population, and broaden the political base of the Afghan interim government now based in Pakistan.

I remain committed to supporting a vigorous American assistance program across the board. I do not accept the argument that there is now a civil war going on in Afghanistan, and that somehow the Soviet stooges, who presided over their decades-long attempt to subjugate their nation, are now independent operators or patriots. Our program must take into account the economic needs of a population weary of continued war. It also must help relieve the heavy toll on Pakistan in supporting millions of Afghan refugees.

The time has arrived for the State Department to get a handle on our Afghanistan policy and to adjust it in light of the current situation. Substantial American resources are being dedicated to Afghanistan this year, but there is no certainty that the level can be maintained next year. A full scale policy review under the direction of the Secretary of State is needed to develop the best political and military strategy of accomplishing our long-term goal of reestablishing true independence for Afghanistan.

The new Prime Minister of Pakistan needs our continued support in sorting out this difficult situation. We cannot guarantee the coloration of a new political authority in Afghanistan, but we must maintain the necessary staying power to see our responsibilities through to a successful conclusion. Even following the establishment of an independent government in that

nation, there will be a period of time where continued combined American-Pakistan implementation of an economic assistance program, including the provision of food, fuel, timber, seeds, and the elimination of the millions of mines laid by the Soviets is going to be sorely needed.

So, Mr. President, I commend the new Pakistani Prime Minister for her excellent address and her clear vision and courageous thinking. I look forward to a continuation of the successful alliance with Pakistan, and to a mutually beneficial solution to the conflict which continues on Pakistan's border. I also look forward to working with the administration in fashioning a sound roadmap for tangible progress this year in breaking through the stalemate which now pertains, and in satisfying the goal of a new independent Afghanistan.

Mr. President, the distinguished chairman of the Senate Intelligence Committee, Mr. BOREN, and I have written a letter to the Secretary of State reiterating the points I have just made. In particular, Senator BOREN and I state that "we believe the time has arrived for a full scale policy review under your personal direction." It is needed "on an urgent basis," and we express the hope that such a review can be completed and shared with the Congress prior to August 1, 1989.

Mr. President, I ask unanimous consent that the joint letter addressed to the Secretary of State by Senator BOREN and myself be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, June 5, 1989.

HON. JAMES BAKER,
Secretary of State, Department of State,
Washington, DC.

DEAR MR. SECRETARY: We have been consistently strong supporters of what has been a highly successful bipartisan policy, spanning two Administrations over a decade toward ridding Afghanistan of its Soviet occupying army and restoring sovereignty and territorial integrity to that proud people.

The Soviet Army has been removed from Afghanistan. However, its proxy regime continues to hold political power in Kabul, receives a continual and substantial flow of Soviet arms, and has embarked on a sophisticated political and public relations gambit to divide the mujahadeen resistance. If this strategy succeeds in blocking the establishment of an independent national political system free of Soviet control, the efforts of the resistance will have been frustrated and the Soviets may well have gained their long-sought springboard to destabilize Pakistan and exert political dominance over South Asia.

A renewed effort must be mounted on an urgent basis to identify fresh measures which will deny the Soviet political strategy fertile ground among the Resistance Commanders and general population, broaden the political base of the Afghan Shura now

operating in Pakistan, and narrow the base of opportunity for the Soviet proxy authorities.

We remain committed to supporting a vigorous American assistance program across the board. Nevertheless, we believe the time has arrived for a full scale policy review under your personal direction as to the most effective way to assist in the prosecution of a political and military strategy which best accomplishes the overall long-term goal of re-establishing and preserving truly independent Afghan political sovereignty. We ask that you attempt to complete the review well in advance of August 1, 1989, and we are prepared to devote the necessary time and effort to work with you on a sustainable policy over the remainder of the year to follow up effectively on the impressive success that our policy toward Afghanistan has enjoyed to date.

We look forward to working closely with you on this matter, and to your early attention to our request.

Sincerely,

DAVID BOREN,
Chairman, Select
Committee on Intelligence.

ROBERT C. BYRD,
Chairman, Committee on Appropriations.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. BYRD. Mr. President, I understand the distinguished majority leader would like to have the Senate stand in recess awaiting the call of the Chair.

I therefore ask unanimous consent that the Senate stand in recess awaiting the call of the Chair.

There being no objection, at 12:41 p.m., the Senate recessed subject to the call of the Chair.

Whereupon, the Senate reassembled, at 3:42 p.m., when called to order by the Presiding Officer [MS. MIKULSKI].

DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1989

The Senate continued with the consideration of the bill.

AMENDMENT NO. 140, AS MODIFIED, TO
AMENDMENT NO. 139

Mr. MITCHELL. Madam President, I send a modification of my amendment to the desk.

The PRESIDING OFFICER. The clerk will report the modification.

The legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] proposes a modification to his amendment numbered 140 to amendment No. 139.

Strike all after the first word and insert the following:

SEC. . EXPRESSING THE SENSE OF THE SENATE REGARDING SUPPLEMENTAL PREMIUMS REQUIRED TO BE PAID UNDER THE MEDICARE CATASTROPHIC COVERAGE ACT OF 1988.

It is the sense of the Senate that—

(1) the Senate Committee on Finance should consider legislation that would modify the amount of supplemental premi-

ums required to be paid under the Medicare Catastrophic Coverage Act of 1988 to the extent necessary to provide an adequate reserve margin without reducing the amount of benefits provided under such Act;

(2) as part of its deliberations, the Senate Committee on Finance will consider reinstating the option of voluntary participation in the catastrophic portion of the Medicare program, as originally approved by the Senate, and will consider a delay in the implementation of the supplemental premium and those Medicare benefits that did not become effective in 1989;

(3) the Senate Committee on Finance will address these issues; prior to September of 1989;

(4) States should more aggressively enforce nonduplication requirements relating to private Medicaid insurance; and

(5) the appropriate Senate Committee's should address the issue of duplication of benefits for military, Federal, and other retirees.

The PRESIDING OFFICER. The majority leader does have a right to modify his amendment and his amendment is now so modified.

Mr. MITCHELL. Madam President, I ask unanimous consent that there be added as sponsors of this amendment with me, Senator DOLE, Senator BENTSEN, and Senator PACKWOOD. This is an amendment offered on behalf of myself and these three Senators.

The PRESIDING OFFICER. Without objection, the majority leader's request is agreed to.

Mr. MITCHELL. Madam President, the distinguished chairman of the Finance Committee and the manager of the bill will in a moment address the substance of this amendment. I would like to discuss it briefly and to touch on one other point that has been made repeatedly throughout this debate and in which I have a very keen personal interest. That is the subject of long-term care for the elderly.

I have reviewed the RECORD of the debate yesterday and was interested to read and to have heard in some of the discussion yesterday that speaker after speaker who support the position of the distinguished Senator from Arizona argued that a reason to delay the catastrophic legislation is that it does not deal adequately with the problem of long-term care for the elderly. That is a true statement. It does not deal adequately with the problem of long-term care for the elderly. But it does deal in part with that problem.

I found those statements to be ironic for two reasons: The first is that I have now been working for 3 years to develop legislation to deal adequately with the problem of long-term care for the elderly. I held several hearings in my capacity as chairman of the Senate Subcommittee on Health. I held numerous meetings with Senators and other persons interested in dealing with the problem of long-term care for the elderly.

I introduced the first legislation to provide, for the first time in our Na-

tion's history, a long-term care program for our Nation's elderly. And as carefully as we have searched the RECORD, with a single exception, and that exception is the distinguished Senator from Illinois [Mr. SIMON], with that one exception, not one of the other Senators who have during this debate expressed such concern for long-term care for the elderly participated in any way in the effort to deal with that problem. Not one was a co-sponsor of my bill. Not one responded to my letter to all Senators asking them to join me in the effort to deal with the problem of long-term care. Not one attended a single of the many, many meetings I held with Senators trying to develop a long-term care bill. So far as I can see, the RECORD is barren of any participation by those who now express such a deep concern for the problem of long-term care for the elderly.

There are some who would look at that RECORD and say that the concern for long-term care for the elderly goes only so far as is necessary to defeat the catastrophic program; that the absence of prior activity indicates that the concern is not with the long-term care problem but rather with defeating this.

I, Madam President, do not share that view. I am an optimist. I believe in the possibility of conversion. And, therefore, I want to say to all of those Senators who have here on this floor expressed such deep concern for the problems of long-term care for the elderly that I am going to introduce a bill again this year and I hope that the concern expressed here for long-term care for the elderly will survive this debate and will extend into participating in trying to deal with that problem.

I caution Senators, however, if they think this catastrophic bill is a tough problem to solve, wait until they get into the problem of long-term care. It is very difficult.

It took 2 years of meetings, hundreds and hundreds of hours of participation in hearings and meetings with other Senators and interested groups, to develop the first legislation, imperfect as that was.

So I hope that whatever happens on this issue today there will be a benefit to the elderly in the fact that many Senators who had previously not evinced any interest in dealing with the problem of long-term care for the elderly now will be active participants in helping us solve that serious problem.

I welcome their interest. I invite their participation. I encourage them to join in dealing with what is a very serious problem. Better late than never.

Now, the second irony also deals with long-term care. We are urged to eliminate or delay the provisions of

this bill because it does not solve the entire problem with respect to long-term care for the elderly. However, as the author of the first legislation to deal with the problem of long-term care, as one who has been immersed in the problem for 3 years, as one who chaired several hearings on the subject and who participated in dozens of meetings with Senators and other experts on the subject, I can say that this catastrophic program does deal with part of the long-term care problem. Not enough, not nearly enough, but it does expand the Medicare home health benefit; it does provide respite care for long-term caregivers; and it does provide for the first time a home IV drug therapy benefit—all of which are small, but significant, steps to dealing with the problem of long-term care.

So, the irony is that those who say they are motivated by concern for long-term care want to eliminate or delay the important steps taken to deal with long-term care because, they say, they do not solve the whole problem.

That is a great irony to me and I urge Senators to consider the fact that while these are, indeed, modest steps for dealing with long-term care, they are important steps and they are first steps. They at least move us in the direction that we want to move in establishing a long-term care policy for this country. And I encourage those Senators who have here on the Senate floor expressed such a concern with the problems of long-term care to consider the effect of eliminating or delaying what are the first steps toward dealing with that serious problem.

Madam President, a third irony has surfaced in this debate. Some of the proponents of the amendment by the distinguished Senator from Arizona have said on the Senate floor that the solution to this problem is to let those elderly who can afford such coverage buy it privately on their own and then to expand Medicaid, the health insurance program for poor Americans, to provide such coverage to those who cannot afford it. Anyone who listened to the debate here yesterday heard that suggestion made.

Here is the irony. In the last 3 years, we have had efforts led by the chairman of the Finance Committee and the ranking Republican member of the Finance Committee and others who are architects of this catastrophic program; they led the effort to do just that, to expand Medicaid to provide coverage for the elderly poor, for pregnant women, and for poor children. And guess how the Senators voted on those measures who are here now urging that the solution to this problem is to expand Medicaid to deal with this problem.

There is a solution. It is, of course, to provide increased coverage for Med-

icaid. And this Finance Committee of which I am proud to be a member—under the leadership of Senator PACKWOOD, when he was chairman and Senator BENTSEN since he has been chairman—has been in the forefront of the effort to provide expanded Medicaid coverage to the elderly poor, to poor women who are pregnant, and to poor children. And they have been opposed by some of those who now suggest that the solution to this problem is to expand Medicaid to deal with catastrophic coverage. There is an irony.

Once again, Madam President, I hope this results in a maturing of view on this subject, an attitude that now recognizes that perhaps previous efforts by these distinguished Senators to deal with the problem in a way that is now suggested to be most effective is, in fact, and were, in fact, appropriate measures. And perhaps the next time that Senator BENTSEN and Senator PACKWOOD come to the floor and try to gain an acceptance of a modest expansion of the Medicaid Program to provide coverage for the poor elderly and the poor children and the poor pregnant women, they will not encounter some of the fierce opposition that they have encountered in the past on this subject. So again, it may be that out of this debate we are going to get enhanced attention and greater support for efforts to deal with these serious health care problems in the future.

Madam President, I want to make one final point on this question of what this bill does in terms of dealing with long-term care. One of the provisions, one benefit of the benefits which Senator PACKWOOD identified in his very eloquent remarks yesterday, is the home IV drug therapy benefit. This is a modest provision, perhaps not well understood by many, but it is one reason why we ought to be enacting this legislation and that is we can save money in so many ways in health care if we will drain from the care decisionmaking process, reimbursement as the driving force for those decisions.

What happens now, I say to my fellow Senators, over and over again, in decisions made regarding health care in our society, the driving force is not what the patient wants, not what the patient most needs, not what is the least expensive method for meeting the patient's needs, but rather the driving force is what is or is not reimbursable under an insurance program, and primarily the two large Government insurance programs, Medicare, providing health insurance for the elderly, and Medicaid, providing health insurance for the poor.

IV drug therapy is reimbursable to a Medicare patient who is in the hospital but is not reimbursable to a Medicare patient who is at home. And,

therefore, many Medicare patients who would otherwise be better served at less cost and want to go home stay in the hospital incurring much larger and unnecessary expenses because the IV drug therapy is reimbursable there but not if they are at home.

Delaying this benefit, eliminating this benefit means that we are now going to continue a practice of spending money unnecessarily, providing people with a level of care that they do not need and do not want and moving us away from an appropriate rational, long-term care policy. This is one example. Most Americans have never heard of this provision. Most will not ever utilize it or be subject to it, but for those who are, those who will utilize it, it is the important provision and it is one of the reasons why benefits in this bill should not be eliminated or delayed.

Madam President, there are many others who wish to address this subject, and I will shortly yield the floor to them, particularly the distinguished chairman and ranking member who have done such an outstanding job in leading the way on this effort.

I simply say this to my colleagues in conclusion. Undoubtedly, there have to be changes made in this catastrophic program. Undoubtedly, there will be changes made in this catastrophic program.

The one that leaps most readily to mind, of course, is the duplicative coverage, the problem that affects millions of retirees—military, civilian, and other—and the chairman of the committee and the ranking member have made clear they intend to make those necessary changes. And they can do so. They can do so with the help of those who are offering the amendment, the distinguished Senator from Arizona and other proponents of that amendment, and they have committed themselves to doing so.

They have discussed here and will discuss in more detail the consideration that they intend to give and which this amendment sets forth, but the way to do it is not to take the steps that could result in the irrevocable loss of these benefits to the elderly. Rather to do it as proposed in this resolution, to direct the Finance Committee to go back, consider these matters and to present to the full Senate its suggested changes, which every Senator will have the opportunity to address, which every Senator will have the opportunity to approve, to amend, to change, to oppose in any way that each Senator sees fit.

I urge the Members of the Senate to support this amendment as the most rational, logical way to assist America's elderly. We heard over several years the cry, the need for catastrophic health coverage. This is landmark legislation which will eliminate forever the devastation that an American

family will face if their loved one is required to endure a lengthy stay in the hospital and face a \$50,000, \$90,000, \$100,000 hospital bill.

This bill takes care of that. It will be a great loss to millions of elderly in our society and to those who we cannot know in advance what their names will be because we cannot predict who will be stricken with disaster, who will suffer the consequences of that disaster if we eliminate this coverage. We can fix what is right. We can do it responsibly, and the committee will do it if given the chance to do so. I urge the Members of the Senate to give them that chance.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Texas [Mr. BENTSEN].

Mr. BENTSEN. Last night when I went home, I started thinking through this debate and what had been said. It became obvious to me that those who were opposing the Mitchell-Dole amendment really had ducked out on the tough choices, talking about the continuation of a substantial amount of the benefits, but not really telling us how to pay for it, really bringing us a budget buster costing us \$400 million in 1989, \$2.8 billion in 1990.

I saw some of those same Members come before our committee and talk about a \$5 billion cut in Medicare, then come back and support the amendment of the Senator from Arizona. I hear them talk about long-term care.

There is no question in my mind that long-term care has to be a No. 1 priority for the elderly, a deep concern. We look at the problems we have had dealing with this one, catastrophic illness, one of major concern, one that can wipe out a family. We included spousal impoverishment in the catastrophic legislation to try to help them; to not financially wipe out the children as they try to come in and help that member of their family. I look at that \$5 billion to \$6 billion a year it costs us. Every long-term care program I have seen costs many times that, a problem we have to address, but that tells you the enormity of that problem.

I heard some of them stand up here and say, well, the potential beneficiaries ought to pay for it as our legislation calls for, as President Reagan called for, as the Congress approved, absolutely have to pay for it. And I heard one of them say, "Yes, and it ought to be progressive. If a person makes more income, they ought to pay a little bit more, but not this plan, not the way this one does it. This one really is not satisfactory; we cannot accept that," but then they came back and did not give us any options. When they close down a road, they ought to

give us an option, another route to travel, but they have not faced up to that one. We are going to give you the benefits, but we do not want to have to worry about telling you how to pay for it.

The distinguished Senator from Maine, the majority leader, has been in the forefront in trying to work out something for long-term care and has not had much comfort and help along the way.

Yet, this is put out there as a red herring, to try to tell you in some way that the catastrophic protection is precluding ultimately the consideration of long-term care.

I do not buy that. I do not agree with that.

I heard one of the other Senators saying no, it should not be paid for by the potential beneficiaries; no it should not be treated as an insurance policy; and no, it should not be progressive. But it stuck in his throat. He could not quite say it should come out of general revenue and add to the deficit. No, he could not, because he talks a lot about how he wants to cut this deficit and I am sure that is what his speeches say that is what he wants to do. And here he is with something that is going to cost us \$400 million in 1989 and \$2.8 billion next year and not telling us how to pay for it. A budget buster.

What the McCain amendment does, it takes the benefits away from the most needy. It says to the pregnant woman that you are not going to get that Medicaid help, you are not going to get that Medicaid health care. They are not going to tell you how to take care of yourself during this pregnancy.

There are 40,000 children dying in this country before the age of 1; a minority baby born in the District of Columbia has less chance of living to the year 1 than a baby born in Cuba. We are 18th in infant mortality of major nations of the world. That is where we are. The immunizations that are needed are not going to be paid for if the amendment of the Senator from Arizona is carried. That, too, is deferred.

The elderly, the indigent elderly, the handicapped elderly who need the additional funds to buy in on Medicaid are pushed back by the McCain amendment. No, we are not taking care of them. And look at the other things that are going to be delayed such as the cap on physicians' payments. Physicians' payments are escalating substantially faster than the CPI. That, too, is going to be delayed. Go out and try to buy a Medigap policy to take care of that. Listen to the testimony we had before our committee. It will cost you from \$600 to \$1,500, and in some of those you pay \$50,000 of physician's payments before

you get to the cap that begins to help you.

I heard my friend from Arizona say, oh, those benefits are nice but not absolutely necessary.

Mr. MCCAIN. Will the Senator yield? Will the Senator yield since he keeps mentioning my name.

Mr. BENTSEN. No, let me finish and I will be glad to yield to the Senator.

Prescription drugs are one of the other deep concerns. The McCain amendment will delay that coverage too.

Under the catastrophic illness legislation that is on the books, when it comes to physicians' payments, there is not a \$50,000 cap but a \$1,370 cap.

Talk about long-term care. We put in there respite care to try to help those who must take care of a mother or father but need to have a break at some point to go see a doctor themselves. We put in that respite care but, no, that is not really that important so it will be deferred under the McCain amendment. It is not taken care of.

Skilled nursing care was increased to 150 days. Does it adequately address the problem of long-term care? Absolutely not. Of course not. But certainly it is a step in that direction—not just nice but critical and important.

So what I am saying to the Members of the Senate, sure, there are things wrong with the catastrophic illness legislation. We took 2 years working on that piece of legislation—2 years. We listened to an incredible number of various groups representing older citizens, trying to meet their concerns and their needs. Did we meet them all? No. As we worked with these organizations—and we thought we had met their concerns; some of them, a great number of them, ended up supporting that piece of legislation—today they are back saying that things happened they did not anticipate and they need correction. And in some cases they are right. Duplicate coverage is one of the problems that we had not fully and adequately addressed. We thought we had at the time. But I must say in defense of the Finance Committee, I know of no major piece of legislation with as much consequence as this one, with as many complexities as this one, that has not had some flaws and some corrections that had to be made later, but let us not try to do that on the floor.

One of the things we say we will consider is a deferral, but let me tell you how complicated that one is. If you talk about partial year coverage or you talk about total deferral for a year of these other parts of the catastrophic legislation, the insurance industry really has a problem in trying to adjust for it and understanding just where we are going to come out and how long we are going to stay with that.

Let us address those complexities in the Finance Committee. We will do our job. We will work on these concerns.

One of those concerns is the question of excess cost for the supplemental premium. One of the things we wanted to be sure of was that we had adequate reserves to pay for these benefits, to see that the money was really there, and that this was one of those programs that did not run into the red. So we said once we have been generous in figuring those reserves actuarially, then let us put in a cushion. Let us have a margin beyond that to try to cover any possible miscalculations. We put in a figure of \$4.2 billion. Now, the Joint Tax Committee tells us—and CBO confirms—it is not going to be \$4.2 billion. It is going to be something in excess of double that amount—\$9 billion to \$10 billion of additional reserves collected.

I want us to do the prudent thing. That is what we started out to do in the beginning by putting in that cushion of \$4.2 billion. One thing I do not want to happen is to see us build an excess reserve above the cushion and then use that to help balance the budget. I have heard talk about taking the Post Office off the budget and doing it because it is losing over \$1 billion a year, saying, "Well, now, that is going to help us balance the budget." I have heard talk about paying farmers a month ahead of 1989 and into 1990. But I think it would be the cruelest of exercises to say we are going to balance it on the backs of these senior citizens, on something that we have termed catastrophic illness.

So I have said that after we satisfy ourselves on the numbers, then I want to seriously look at the possibility of substantially reducing that supplemental premium.

There are two or three options by which we can do it. We can talk about raising the threshold, instead of \$150 of taxes that could be raised up to \$1,700, or instead of 15 percent of taxes we would go to 10 percent, or instead of a top cap of \$800 we could cut it to \$450. My guess is we will do a combination of those things after we satisfy ourselves with the adequacy of the reserves and the adequacy of the cushion. But let us not do things like that on the floor of the U.S. Senate. Let us address it in the Finance Committee, and we will do that.

Let me talk about one possibility that we left the floor of the Senate with when we passed the catastrophic illness bill through the Senate. We brought it out of the Finance Committee, and that was making catastrophic optional, making it voluntary, saying that you can take part B, and catastrophic illness, or you can turn it down and settle just for part A. I want to seriously go back and examine that one again, and listen to these various

organizations who state to us what they would like to do in that regard.

I was a proponent of that one, and worked for that one. We finally lost that one in the conference, but I am sure ready to go back and reexamine it.

I happen to believe that this catastrophic package is so good, and particularly with what we tried to do insofar as taking care of duplicate coverage, that what you will see happen to that package will be the same as what has happened to part B—95 percent of the people will sign up for it. Why should they not? Even with a cap at \$800, there will still be a subsidy out of general revenue. Try to find me a comparable buy for that one, with the intensity of coverage, the depth of coverage, the expanse of coverage, and buy it on the market for that.

I think it is the best buy in town, and it will be a better buy. If it is on a voluntary basis, I think the people will recognize that and they will buy it.

Politics: The people concerned, they are running for reelection. Interest groups, differing points of view—well, let me tell you the interest groups that are opposed to any deferral of benefits. The American Association of Retired Persons, the Villers Advocacy Association, the National Council of Senior Citizens, United Auto Workers, National Council on the Aging, Generic Pharmaceutical Industry Association, the Consumers Union, the National Education Association, the American Federation of Teachers, Citizen Action, National Consumers League, Catholic Charities, American Pharmaceutical Association—any deferral of benefits. They are certainly opposed to the deferral of benefits that is proposed by the Senator from Arizona.

This morning we had the proposed Assistant Secretary of the Treasury, Mr. Harlow, before us. I said "Mr. Harlow, do you support a Mitchell-Dole-Bentsen-Packwood amendment that we were debating last night?"

He said no.

I said, "Does the administration support it?"

He said no.

It hurt my feelings a little.

I said "Well, tell me then, Mr. Harlow. Do you support Senator McCain's amendment?"

He said, "We oppose that one a lot more."

He did not support either one of them. The administration does not think we ought to touch it; "Do not do anything to it. Do not go too fast."

Well, let me tell you this: the Finance Committee's feet are not set in cement. They are in the starter's blocks. We are ready to move. Again, let us talk about politics a little and being up for reelection. I think we have more members on the Finance

Committee up for reelection this time than I have seen in a long time. They are sure responsive to senior citizens. And we are going to address the problem. But let us do it in committee. Let us do it where we can do it in a reasoned way dealing with the complexities of these concerns and these problems, and try to iron out some of the differences of those various associations representing the senior citizens of our country who really want a catastrophic illness bill that gives them some peace of mind, one they can afford, one that is a good buy, and one that addresses their concerns.

Let us work our will on it, and I say to you that I am confident we will come back on this floor this year with the changes that we will be recommending to you after listening to all of these different associations, after having had the experience of having it discussed, the subject of town hall meetings across this Nation, and having the input of the Members of the United States Senate to that commitment. We will bring you responsible legislation addressing the problem.

Thank you.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Republican leader, Senator DOLE.

CONGRATULATIONS TO THE SPEAKER OF THE HOUSE

Mr. DOLE. Mr. President, before I address the issue at hand, I would like to proceed for at least 2 minutes of my leader time to first of all congratulate my friend, TOM FOLEY, in his elevation to Speaker of the House.

I have known TOM FOLEY for 20-some years, and have worked with TOM FOLEY on a number of issues ranging from agriculture to budget summits to a number of other things. I consider him to be a man of total integrity, honesty. We may not agree on how we vote on certain issues. But there is no doubt in my mind that he will be an outstanding Speaker, and I wish him well.

Again, I send my congratulations. And to those who are now departing the Republican National Committee who sought in some "clever" way to tarnish the image or reputation of TOM FOLEY, I say good riddance.

There was a report today that the President was disgusted when he read certain comments published by certain people at the Republican National Committee. I say as a friend of TOM FOLEY, a member of the other party, it may be a different philosophy by a Member of Congress, but somewhere we have to draw the line. And this certainly is a clear case.

So I hope I speak for all Republicans, and I believe I do on this side. Sure, politics is rough and tough. We

go out and try to defeat each other, we have heated debates, and sometimes we even say things we wish we had not said. But I would guess this is rather a deliberate effort on the part of some to smear TOM FOLEY before he even had his first day as Speaker of the House of Representatives.

I know that Chairman Lee Atwater has talked with TOM FOLEY by telephone. I know the President of the United States has expressed his disgust, and I think he did exactly the right thing. I join the President, and I think I speak for all of my colleagues—not my Democratic colleagues, but my Republican colleagues—who say this is not politics; this is garbage. We are disgusted by it. It does not do much for any of us in our party, except bring discredit, even though we do not do things like this.

I would hope that spokesmen for parties generally would understand that there are certain limits, even in this business that we are in. I wish TOM FOLEY well in the future.

DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1989

The Senate continued with the consideration of the bill.

Mr. DOLE. Mr. President, last night we almost had an agreement on the McCain amendment. I had hoped that we might be out here today saying we have it all worked out, but that did not happen. I must remind my Republican colleagues that the administration is opposed to the McCain amendment. I have a letter here that has been put in the RECORD—and Senator PACKWOOD will do it, if it has not been—from the Secretary of HHS, that says for a number of reasons, they are opposed to the McCain amendment.

I also remind my friends on this side of the aisle that this was Ronald Reagan's idea. It was also the idea of the Republican HHS Secretary, Otis Bowen, a practicing physician from Indiana, and there was a lot of tugging and hauling and a lot of work with the Ways and Means Committee and the Senate Finance Committee before this package was ever put together.

Many of us had concerns about the proposal. I was a conferee. I did not sign the conference report. I had concerns about it. I voted for the Wallop amendment to make it voluntary, the same thing the Senator from Texas addressed. But the chairman of the Finance Committee is correct. If you pass a major piece of legislation, you are going to find it necessary in almost every case—at least as I recall, when I was chairman of the committee, you have to go back and do some fine tuning.

I think JOHN MCCAIN ought to declare a victory, because he has moved this in the right direction a long way,

and the senior citizens, wherever they live in America, are going to owe JOHN MCCAIN a debt of gratitude, and should.

But I must say to others who stand around here talking about the Federal deficit, how we are going to finance all these programs, it was not easy to say. If you are going to receive the benefits, some of you are going to have to pay a little bit, supplemental premiums or surtax. I think I heard Senator PACKWOOD say yesterday that only, I guess, about 59 percent do not pay, and about 41 percent do pay.

Now, the Treasury is broke. We have Gramm-Rudman-Hollings to have a little discipline around here, and it has worked fairly well. We have a \$2.7 trillion debt in paying \$150 to \$160 billion in interest on the debt. With the cooperation of a Republican administration, the Reagan administration, and a Democratic Congress, this catastrophic bill was put together and passed.

I do not know how they get all the complaints. Nobody has been touched yet; they may be paying the premium, but not the supplemental premium. It seems to me that—and I have been around the town meetings, and I have had people stand up and complain about certain aspects—nobody complained about the benefits. Certainly, most Americans would rather not have to pay anything and receive the benefits. That is the American way. But we are broke. So are your children and grandchildren. Senator DURENBERGER talks about generational equity. Who is going to pay for it?

I listened to the debate. I have heard some of my colleagues say that we will find a way. What way? General revenues? We do not have any. Let us just forget all the benefits. I am not too excited about respite care. In fact, I remember writing a letter to the conferees saying we cannot, that if the respite care is included, the President is going to veto the bill. Before the letter arrived to the conferees, Secretary Bowen caved in on that one—\$1 billion just like that. There are some things I think we can do without.

I commend those who had the courage to put this together and bring it to the floor and find a bipartisan majority, and it was a bipartisan majority who voted for it. I think there were only 11 votes against it, if I recall. One was my colleague from Kansas, who did not like some of the provisions. So I was concerned with some of the benefits and the fact that it did not have the voluntary provision recommended by the distinguished Senator WALLOP. But I was not concerned about the basic theory behind the premium. I think that is very important. If we are all going to stand up and talk about the deficit and also talk about long-term care or catastrophic care, sooner

or later we have to find some way to pay for it.

They are going to stand up and say we have to raise somebody's taxes? You are not going to hear that from anybody on this side or the other side. General revenues, where are they going to come from? So we finally found a mechanism. If you received the benefits, you paid a certain amount in taxes. You are not going to pay very much; you are still going to get a benefit. If you paid the maximum, you are still going to get a subsidy.

The more I think about it, a delay in the program, whether 4 months or 3 months—and I know the resolution says we could delay it—it does not give any time, and my view is we do not need any time, because we get into all the problems the chairman of the Finance Committee mentioned, where you are going to find a lot of things. The Finance Committee has 6 months to deal with some of the questions raised by the Senator from Arizona, and, again, I commend him for it, and some of the questions raised by others.

We are going to go back and look at a "voluntary, optional." I bet most of the people who buy it, it is going to be a bargain, but let us make it optional. So what we need to do is go back and take a look at duplication of coverage. That is what I heard in Paola, KS, from three different senior citizens, retirees, Federal, military and others, duplication of coverage. Oh, others did not like the supplemental premiums, thought it was too high.

The chairman has already indicated, if we are certain we are going to have enough reserves, maybe we can make some adjustment here and there. But I say to my colleagues on this side of the aisle that President Bush supports the program as is and does not want to make any changes.

That was expressed in a letter to the chairman of the Ways and Means Committee, Chairman ROSTENKOWSKI.

I do not agree with the administration that there should not be any changes. But I do agree with the administration we should not destroy the program. This is a Republican administration, and the President has a right to expect some support from the Republican side of the aisle.

Oh, this is as an easy political vote short term. Wait until all those letters start coming in from senior citizens who wonder what happened to the program when it has been destroyed. Wait until you hear from those 59 percent who are not going to pay any supplemental premium.

It just seems to me we are making, or could make, a very serious mistake. There is not any free lunch. Whether it is senior citizens or their children or their grandchildren we are out of money. We do not have any money.

We have mortgaged three or four generations. That is what we have done.

So, finally, a majority in the House and the Senate, a majority of Democrats and Republicans, had the courage to do something that was right, maybe not perfect, but it was right, and now we want to delay it for a year, which in effect means to kill it off, if not now, later.

So there have been legitimate questions raised about the size of the supplemental premium. I, for one, wrote the Treasury Secretary months ago asking that he review their estimates. If we can make changes in the premium rates let us do it, but let us not throw the baby out with the bath water.

The biggest issue in America, as the majority leader indicated earlier, is long-term care, how are we going to finance that? If we cannot even face up to this, how are we going to finance long-term health care? Are we going to raise taxes? I bet nobody wants to raise taxes right now.

Are we going to get it from the general revenues? Where? What programs are going to be set aside to pay for it?

So it just seems to me that when we first began to debate these benefit expansions, it was very clear that we had to find a new source of financing as the Medicare trust fund had nothing to spare. Neither did the Treasury. And simply adding to the deficit was not an option.

Had we brought this bill out here, the chairman brought it out here without this funding mechanism, and saying, oh, we are just going to take it off budget, why not take it off budget, then it will not be impacted by Gramm-Rudman, or just take it out of general revenues or raise taxes, we would not have gotten any votes at all, not enough to pass it.

So the committee concluded and the Republican administration, the Reagan administration concluded, that the answer was to ask those who would benefit to pay. Is there anything with that? If you benefit, why should you not pay? You should not pay any more than you need to, and that is what the chairman and Senator Packwood and others will address. Is there anything wrong with saying those who have higher incomes ought to pay a little more? I cannot think of anything wrong with it.

Again people want the benefit but they do not want to pay. They are no different than anyone else.

But we are broke.

So given yesterday's debate, it is hard to believe that only 41 percent, 41 percent of Medicare beneficiaries, are actually paying any supplemental premium; 59 percent are not paying any at all. And of those only about 5.6 percent will ever pay the maximum supplemental premium which will reach about \$850 in 1990.

But, Mr. President, that person who pays the full amount is still getting a bargain. The least subsidized high-income enrollee will still realize a subsidy from Medicare of at least \$800 a year so he or she is still only paying for 79 percent of the benefits that he or she uses. And those who are poor or depend solely on Social Security as their source of income will never have to pay this supplemental premium.

I have talked to some and I have had mail from some who said, "Why should I have to pay for my neighbor?"

Well, if we do it in general revenues, it is going to be paying for your neighbor. If we raise taxes, that poor neighbor is not going to be paying; you are going to be paying taxes.

I respect the distinguished Senator from Arizona, and I mean that. This has been through his efforts and the efforts of others who have helped him, and it has been bipartisan. I do not want to leave the impression it was just Senator McCain; there are Members on both sides supporting the McCain amendment. But I would hope he would have a little faith in the Finance Committee and I would hope that there would be an opportunity, as the chairman has said and Senator Packwood is going to underscore that here at any moment, they are going to move as quickly as they can. They are committed to making changes, they are committed to addressing most of the issues raised by the distinguished Senator from Arizona.

I know the distinguished Senator from Utah [Mr. HATCH] who is the ranking member on another committee that deals with a lot of these issues, will listen to reason. He knows you just cannot keep passing programs without paying for them.

I know he is strong on controlling the deficit. He does not want to raise taxes. And if he finds a better way to fund this program, then we have overlooked it in the Finance Committee.

But I would say to Senator McCain and Senator Hatch and others who worked very hard to do what is happening right now—they are winning—but I would say to them if I could give any advice, which is probably not worth much and probably will not bring any votes, if we pass this McCain amendment and delay this program for 1 year in my view you can just kiss it goodbye. I do not know how eager the Finance Committee is going to be to take a look at it next year. We have 6 months now. We do not need any delay.

So I would urge some of my friends on this side—and I have looked at the whip check, and it is terminal; it does not look too good; it needs a transfusion. We need to recognize that this is a Republican initiative that we are about to dismantle here. We need to

recognize we are going to wreak havoc with Gramm-Rudman-Hollings if there is a point of order made and if it is waived.

Maybe that is not important, but I keep hearing it is.

So I just suggest that we back up and take a look at what we are about to do.

Oh, yes, we have all had a lot of mail. It is not a record. Most of the mail I still have I have not answered on withholding on interest and dividend income. I have a big mailing list on that, but they are all on the other side.

But I really believe we have a fundamental decision to make here, maybe the first time this year we have had to stand up and say, "Well, I am going to make a decision that is going to benefit senior citizens. I am going to make a decision that is going to benefit particularly those low-income senior citizens who otherwise are not going to have this coverage."

Or I am going to read my mail and say, "Well, somebody is paying more than they should, but I am going to be able to write those people and tell them we are looking at this, we are addressing this, and before you pay any supplemental premium, unless you are paying estimated tax or something, it may be lower than you are now being told."

So I have confidence in the Senate Finance Committee. I think everybody agrees it is fairly nonpartisan, bipartisan, call it what you will. They put this together. I know the Ways and Means Committee—the chairman may have a little different view—but in view of what Senator McCAIN has been able to do on this side, I am certain there are Republicans and Democrats on the House side who feel just as strongly.

So I want to appeal, on behalf of the President and the administration, that we ought to support the bipartisan amendment introduced by Senator MITCHELL for himself, myself, the Senator from Texas, and the Senator from Oregon, Senator BENTSEN, and Senator PACKWOOD.

If the Finance Committee does not do anything, then I would be prepared to join Senator McCAIN and others, but they will act. It is a responsible committee.

I urge those on other committees who have responsibilities to understand that in this case the chairman of the Finance Committee was the one who told all of us that there may be excess reserves, maybe we could address some of those problems. The administration did not agree with the chairman. I agree with the chairman and wrote him a letter and said so. We ought to find a way to lower the supplemental premium. We ought to address some of the other issues, dupli-

cate coverage. So we are in the process of doing that.

So I would hope that we would have bipartisan support to do the right thing, not the easy thing, but the right thing. We have been doing the easy thing so long, that is why we have this \$2.7 trillion debt.

By doing the right thing, I do not mean doing the right thing for President Bush, I mean doing the right thing for the people we represent, the senior citizens who expect that from us.

Mr. President, I yield the floor.

Mr. GRAMM. Mr. President, first of all, I would like to make the point that one of the reasons we are here is because the distinguished members of the Finance Committee did this right. I am here to criticize this legislation, but I want to make it clear that we are having a historic debate today because Senator PACKWOOD and Senator BENTSEN and Senator DOLE did this right. This is the first entitlement in American history where the people that benefited actually paid for the entitlement. And remarkably, and maybe not so remarkably, given that the people that are benefiting are paying for it, a lot of them do not like it. In fact, it is amazing that we here in the U.S. Senate are debating an amendment to roll back an entitlement to a special interest group that is the most sacred and the most powerful in America.

Mr. President, how did all that happen? I am not so foolish as to jump into a debate with my dear colleague from Texas, who knows more about tax law than anybody alive, or my dear colleague from Oregon who has been a part of everything good that has happened in the Senate since I have been here. But there is something historic happening here and there are a couple of points I want to make about it and I will try to be brief.

First of all, the reason there is a lot of opposition to this benefit is that people are having to pay for it. Let me assure my colleagues, there is no way on Earth that you can write this bill where people can opt in or out and be part of this new catastrophic coverage or not part of this catastrophic coverage at their will and in any way pay for it.

One of the previous speakers talked about the fact that 95 percent of the people are opting for part B, and they are. But the taxpayers are picking up 70 percent of the tab.

Basically, what we have is an entitlement program where about 40 percent of the people that are paying are going to end up in one form or another being actuarial losers. They are paying for benefits that other people are getting. So, basically, we are here having a historic debate. In fact, Mr. President, I would be so bold as to say that what we are seeing here today is

the sort of largess of the 1960's and 1970's banging up against the fiscal realities of the 1980's. You cannot go around giving people all these benefits, make them pay and ultimately have it popular.

Mr. President, the first point I want to make is we are here today in this debate for the first time in my 11 years in the U.S. Congress bumping up against the limits of collectivism in American Government.

The second point I want to make is that the problem is a lot bigger than what we are debating. I do not know whether the distinguished Senator from Arizona has the right solution or not.

I agree with the distinguished Senator from Texas. I do not think we ought to be writing tax law on the floor of the U.S. Senate. I am supporting this amendment because I think it is very important.

I think something very good or very bad is going to come out of it. Something very good is going to come out of it if we go back and roll back part of this entitlement and cap the payment. Something very bad is going to happen if we pass the cost on to young workers and in the process make our system far less fair than it already is today.

And I think, Mr. President, that it is up in the air in terms of which of those two is ultimately going to happen. I have strong feelings about which way we ought to go. But when it gets down to the votes, when it gets down to all those special interest groups that were mentioned a minute ago, which way Members are going to vote, I do not know.

Mr. President, a remarkable thing has happened in this country. We have tried to provide incentives for people to work, save, and invest. We cut taxes in 1981. We dramatically reduced marginal tax rates. That marginal tax rate is down to 28 percent but, at the same time we were trying to engage in perestroika in the part of the economy having to do with people below 65, we were collectivizing America for the people above 65. I know that is a strong word but I want to give you a little example here and I think it makes my point.

Let us say you have two part-time workers. One of them is a fellow who is going to school, is an engineering student at Texas A&M, and he is working more or less sort of between part time and full time and he is making \$9,000 a year. And you have a retired widow who is working part time and she is earning \$9,000 a year. The employer comes to the two of them and says, "We have a real problem. We have a surge in the demand for our product"—maybe we are talking about McDonald's—"and I want to get you all to work full time here for a

month and I am going to pay you \$1,500 to do that."

Well, the young college student goes home and he looks at the \$1,500 and he gets out his tax accounting book and he says, "Well, I am in the 15-percent tax bracket, so Uncle Sam is going to take \$225. The payroll tax at 7.51 percent is going to take \$112.65. I am going to get to keep \$1,162.35, more or less." And so he goes back and says, "A great deal. I'll take it."

Now, what happens to the widow worker? She goes home. She gets out her little calculator, and she says, "I am starting with a \$1,500 pay increase. I am in the 15-percent tax bracket and the Government is going to take \$225 of it. I am going to pay payroll taxes of \$112.65. Now, I am going to suffer the earnings limit penalty under Social Security and I am going to lose \$750, and then I am going to pay in catastrophic coverage \$33.75." And so she is going to net \$387.60—unless she has a retirement income.

Now, let us say she has a retirement income of \$16,000. She worked hard while she was working. She built up a retirement fund; \$16,000 will not let her do what she wants to do, so she is working part time.

Now, if she is getting a retirement income of \$16,000, out of this \$1,500 of income for working full time for a month, another \$195 is going to Federal taxes because she is in the higher tax bracket. Social Security benefits are now taxed, taking \$143 more. Her catastrophic costs are up to \$84. So in this case, she is going to lose \$10 for earning \$1,500.

Mr. President, how many people are going to go back and say, "Well, that sounds like a great deal. I will work full time this month, and you will pay me \$1,500 and I will lose \$10"?

Well, Mr. President, what we have done is, we have collectivized America for our senior citizens. And let me explain why I use that word.

First of all, for the people who work hard to provide for their future and save and build up retirements, we are imposing very heavy taxes on them. And if they try to supplement their income by working, if they are blessed with good health, we really impose a confiscatory tax on them.

On the other hand, if they did not prepare for their future, if they did not build up a retirement income, if they do not try to work to supplement their income, they get all these benefits.

Now, Mr. President, it is not going to take long for people to figure out that if they are going to do about as well if they work hard to provide for their future as they are going to do if they do not work hard and they do not provide for their future, it is only a matter of time until people are going to stop providing for their future. And then all of these people are going to

come in and they are going to claim benefits under all these programs and we are going to have a very, very hard time paying for them.

So it is a great paradox, Mr. President, at a time when we talk about incentives, when we talk about rewarding efforts, for a substantial number of Americans, those who happen to be old, we have the most confiscatory taxes on Earth.

I am not aware of any nation on Earth that taxes people at higher rates than we do our senior citizens.

So, Mr. President, the points that I want to make are very simple and I will end my statement. First of all, we are here having a historic debate about repealing part of an entitlement because, for the first time ever, much to the credit of the men who are here who were the leaders on this bill, we wrote the bill right. If you were going to provide this benefit through Government, this was the way to do it.

Now, if you were going to provide it by buying a supplemental policy for the 15 percent of senior citizens who were too poor to buy their own policy, that in my opinion would have been a much better way to do it. But the problem here is not with the way it was done. I do not buy this idea that this is a problem with the way it was structured. If this program costs less than we estimated it will be historic.

The point I want to make here is I wish the Finance Committee well. I do not envy them the great task they have in trying to make this work. Because it is going to be very difficult. I commend them for being willing to do it. But, Mr. President, when you are going to have people pay for benefits they get and you are going to produce the kind of system that we have for senior citizens, when a lot of these senior citizens are very able and very vocal and very much involved, we are going to hear about it. And that is what we are seeing here.

So, one way or another, something very good or very bad is going to happen. Either we are going to go back and make a dramatic change here that is going to change the future entitlement policy of America forever—and I hope we do—or we are going to go back and rob young workers to take the political heat off, which I think would be a great tragedy. But one way or another, the distinguished Senator from Arizona has started something very important here and I want to commend him for it. I do not think he is going to win on this today, though I am going to vote for it.

But he has started a debate here that is very, very important and that is going to have a lasting impact for a very long time on this country. And I want to congratulate him for it and I yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, a lot of thought went into the drafting of the Medicare Catastrophic Program that we are debating today. It was originated by a medical doctor, Dr. Otis Bowen, who became Secretary of Health and Human Services in the last 2 years of the Reagan administration and who, himself, had had an experience with a catastrophic illness in his own family.

It is a matter of record that his wife was stricken with cancer and fought a very courageous battle—a battle that this family ultimately lost. In the process, Dr. Bowen's family managed to accumulate thousands of dollars, many thousands of dollars in uncovered medical charges.

Dr. Bowen, therefore, brought to the Department and to the Reagan administration, a very clear and compassionate understanding of what happens to a family when catastrophic illness strikes. He was fortunate that he and his family were able to afford it without being pressed to the wall of poverty—but he understood what someone of modest means, trying to get by only on their Social Security benefit and maybe a little pension besides, would be faced with if the status quo were allowed to prevail. The status quo, as we all know it, was a Medicare Program that, in the first case, did nothing up until recently for long-term care benefits and was even limited in its acute care benefits. There are only a certain number of hospital days each year Medicare will cover.

Up until we passed the catastrophic legislation last year, there was no limit to the beneficiary's share of doctors' bills. You had to pay the 20 percent no matter what the total annual cost was. And, there was no coverage of one of the biggest costs to the typical senior citizen, prescription drugs.

Dr. Otis Bowen understood all of that and persuaded the Reagan administration to develop the Medicare Catastrophic Act of 1988. He worked very closely with the House and Senate and, as a result, we have the legislation before us today. This, however, was not just a proposal by a man who had a great deal of compassion and was able to persuade the President to share this sense of compassion. This proposal was also based, in the judgment of the majority of us who supported it, on some very quantifiable as well as qualifiable needs.

Take, for instance, the doctor's costs that this bill covers after the first \$1,370. Until we had this legislation, there were some 2,300,000 Americans on Medicare each year whose average doctor's bill was some \$2,600.

What does that mean if you are a Social Security beneficiary? Well, it

means a cost of about \$210 a month. That is what \$2,600 divided by 12 months is. And the average Social Security benefit in this country is only about \$500 a month. So you are talking about people who suddenly have to come up with the equivalent of over 40 percent of everything they have to live on, and have tried as best they can to live on within a very tight budget and with very little slack. They have fixed costs for rent and utilities. They have food costs and, if they are lucky, they have a little left over to take in a movie once in a while. That is your average Social Security beneficiary.

We know that the vast majority of those 2,300,000 Americans with these kinds of doctor's bills were really getting pressed to the wall.

We also knew, and we know, that there are some 5.5 million senior citizens, Medicare beneficiaries, who have very high drug costs. When I say "very high," I mean costs that average over \$550 a year. For the average beneficiary, who crosses that threshold, their out-of-pocket costs for prescription drugs are some \$1,400 a year or about \$120 a month.

Five million senior citizens today, better than one out of every seven senior citizens has that kind of pressing need. It is no wonder that a lot of them, after taking needed medication for a while, find they cannot afford to continue to take medication that is literally lifesaving in some cases, and in other cases quality of life maintaining.

The catastrophic health legislation, Mr. President, was not enacted lightly. There were real needs that were going unmet which, until this legislation is fully phased in, will remain unmet. There were indeed compelling reasons to enact this legislation.

Like all of my colleagues, I have gone back to my home State of Pennsylvania to hear the views of my constituents on this legislation. I have held town meetings. I also have looked in my mailbox, and found ample mail there. I am well aware of the concerns about our legislation. I can categorize those concerns into four main areas.

The first is there is a very poor understanding of what the catastrophic bill really does for people: what kind of benefits you will get; under what circumstances you will get them; and when the benefits will be available. This is understandable because this is very complex legislation and the benefits are phased in over a period of time.

When the legislation was originally being drafted, many of us talked about what the chances were of any single enrollee benefiting from a particular benefit in 1 year. There is one number out there, for example, that says that no more than 5 percent of Medicare beneficiaries will benefit from the catastrophic portion of this bill, which I think they mean the unlimited hospi-

tal part A benefit, in any one year. That may well be true. We all understand, of course, that if you are age 65, you are not going to live just for 1 year. Hopefully, you are going to live for 15 or 20 or 25 years, if you are very fortunate. Therefore, your chances of using the benefit at any time after you have retired and become a Medicare beneficiary are going to increase year by year.

After 5 years, the chances that you are going to use just that one benefit, the unlimited hospitalization benefit, are not going to be 5 percent. They are going to be a lot closer to 20 percent. Over 10 years, they will be a good deal higher than 20 percent, probably around 30 percent. Over your lifetime, they will be certainly well over 50 percent. I am not enough of an actuary to be certain, but I suspect the chances of using this one benefit will be approaching 75 or 100 percent because we know that two-thirds of all people on Medicare do go to the hospital and have a very serious siege of illness sometime before they die, and others use the program well before death. So there are misunderstandings about exactly what it is in this bill and how it will benefit the Medicare beneficiary.

Secondly, there also is a very legitimate concern being raised by senior citizens about duplication of benefits. There was an effort made by the Finance Committee to try and make sure that when people did have double coverage from their private employer, from the Federal Government, or from the military, that their insurance company would adjust their benefit package to make certain that they did not have double coverage and were not paying twice for the same coverage.

I would be the first to say that I do not think this has worked as well as it needs to work, and that we have to revisit this issue. In the case of Federal and military plans, we only have a 2-year provision and we have to make sure that provision works. Again, there is legitimate concern being raised over problems of duplication.

Third, there is confusion over the financing of the catastrophic plan. The confusion is of two kinds. First, there is concern over the fairness in how the financing has been distributed. Someone who might be making \$75,000 a year and are subject to the maximum surpremium of \$66.67 a month may object to having that taken out of their taxes. They are going to figure, "Wait a minute, where did this come from all of a sudden? That is a lot of money." And those people at the maximum who represent a very, very small fraction of all the Medicare beneficiaries may say, "What's this all about? This strikes me as too tough."

The second concern comes, ironically, from the vast majority of beneficiaries who pay only the flat monthly premium of \$4, yet still are fully cov-

ered by the same benefit package. These beneficiaries are among 60 percent of all Medicare enrollees—some 19 million people who have been misled and misinformed about the benefits of the program by misinformed and, in some cases, malintended organizations and individuals.

The Finance Committee is saying that we are willing to take a look at the financing to make certain that it is fair.

The fourth concern, and this is a more recent concern, is that this program may be overfinanced; that the premiums, and the revenues needed to make this program work are excessive relative to what its costs are going to be. As a result, there is a perception that a scam is being run to try and balance the budget on the backs of senior citizens.

We need to take a look at whether the program is truly overfinanced. It is not our intention to accumulate any excessive surpluses in this program and thereby generate steam behind the accusation that we are piling up reserves for no reason. We do know there have to be some reserves in the program, some cushion, which are set in the statute to make sure the program does not run out of money if it runs into unexpected utilization rates. But the people concerned are talking about surpluses in excess of those cushions. This is a legitimate concern, although it is one that is hard to fully predict because we do not have as good a fix on the cost of this program as we would like.

As one of the people who was very involved in the development of this legislation, particularly in the prescription drug benefit which has the greatest volatility in terms of cost estimates, we had a real problem estimating costs. The Congressional Budget Office was saying it was going to be a very modest cost. The Office of Management and Budget was saying it was going to cost many, many times what the Congressional Budget Office said it would—by factors of three and four and five times. We did the best we could to minimize those differences, but they can never be completely eliminated because we have never had a benefit like the prescription drug benefit before.

Mr. President, these are the basic concerns that people have expressed, and I think we need to put a few facts on the record, particularly with respect to the substance of this legislation. I mentioned at the outset that there are large numbers of people who, without this legislation, will find that their finances are strained to the point where their backs are going to be literally against the wall. They will be candidates for Medicaid; they will be candidates for welfare.

These numbers are very large, indeed. Probably over half of all the elderly, if hit with a siege of expensive illness, will end up below the poverty line. As a result, the fact that this legislation is going to keep those people off Medicaid, out of the taxpayer's pocket, and independent, give them health care when they need it, and keep them from developing more serious illnesses is very critical to understanding what we are doing. But it is equally critical to understand that the chances of any single Medicare beneficiary needing, for example, the insurance that is provided under this legislation—is not much more than 5 percent, even in the first year.

If you look at the list of benefits, in addition to the limits on physician payments and limits on hospital payments, there are also new or improved benefits for skilled nursing care and for respite care. I have already mentioned prescription drugs. There is also mammography, hospice care, and home health care. When the best actuaries added up all those benefits, what they found is that the average Medicare beneficiary has about a 22-percent chance of using one or more of those benefits the very first year the program is in place. Over the first 5 years of the program, the chances of availing themselves of at least one of those benefits is not 22 percent; it is 65 percent.

These are benefits that are going to be broadly needed by most Medicare beneficiaries, and we have to penetrate the misunderstanding of these benefits in order for senior citizens to understand this is an efficient program that is really going to be of help to them.

Mr. President, we do need to make some revisions in this program. I am confident that we need to and will better address the problem of duplication. We also need to make sure that the financing is only the financing that is necessary, and we need to make sure that the financing is totally fair. But I am skeptical, after all the attacks that have been made on this legislation from so many quarters, that even if we do a perfect job, whether people are really going to believe we are capable of perfection let alone doing a good job.

Speaking personally, I am persuaded there is only one way to get the Medicare beneficiaries to take an honest and objective look at this program. That is, to let them decide whether or not they want to participate in the program, the way the Senate originally wrote the bill when we sent it to conference. That is something the Senate Finance Committee has agreed to look at.

I understand there are a lot of difficulties we have with the House on this matter, but I think it is very significant that the committee, with the

amendment of Senator MITCHELL, is willing to reopen that subject.

I have told you where I stand on it because I believe that if we cure the problem of duplication, if we go back and make sure we are not taking one penny more than we need, and once we tell the story after we are certain about the fairness of the financing of the benefits, beneficiaries will elect to stay with catastrophic. I am convinced that with the part B program, where the Government subsidizes 75 cents on every dollar currently put into the part B program, people will say, "My goodness, I was paying, before this catastrophic bill came along, \$35 or so a month. That means the Government is putting in three times that amount, \$105. If the Government is putting \$105 into this program and it is efficiently run, even if I have to pay the maximum surpremium of \$66.67 a month, I am still a lot better off. I am better off even under the so-called worst of circumstances."

I believe that if we give people the choice to vote on this program, to elect one at a time, everyone will decide that this program is what we say it is, that it is a good deal.

Let me conclude by urging a vote for the Mitchell substitute and against the McCain amendment. In my view, a vote for the Mitchell substitute is quite clearly a vote to allow the Finance Committee to do its job, as I have outlined it, and we will, I am confident, do that job. But I also want to be clear that in my judgment, voting for the McCain amendment is a vote to repeal this program.

I would like everybody to think very carefully about what repealing this program really means. It means we are going to give up on improving the Medicare Program. Just look at the current climate. There is a Federal budget deficit. There is no support for any kind of tax increase, whether it is a payroll tax or an income tax or a sales tax. Given a deficit which we certainly are going to have for a number of years more, that means the ballgame may be over on making any improvements in the Medicare program. Indeed, all of us on the Finance Committee are under pressure to reduce the cost of the Medicare Program from baseline, not to increase it.

So, repealing catastrophic means that not only are the very good benefits in this program going to be foregone, and a lot of people who we could have saved will be driven into indigence, and financial hardship, literally millions upon millions of them, are going to be plunged into poverty and financial hardship because the Senate has not been willing to allow the Finance Committee to do its job.

I might also add that a vote for the McCain amendment is also a vote against, at least for the foreseeable future, having something everybody

says they want, namely a long-term care program. I have not heard many people come down to the Senate floor today and say, "Long-term care is unneeded. Long-term care should not ever get on our agenda."

To the contrary, I think most of our colleagues would like to find a way to have a long-term care program for the Medicare Program, to find a way to finance it responsibly so that we could take into account that huge unmet need that we know is out there and which we know will be growing as our population increasingly ages.

There ought to be no mistake made about it; if we vote to kill this program, we are in fact voting to kill the very first long-term care program we have ever had.

"What program is that?" say my colleagues perhaps. The prescription drug benefit in this bill is the very first, and very significant and very major long-term care benefit. Why do I say that? Because it is a benefit that you get based only on financial need. You do not need to be hospitalized. You do not need to be in a nursing home. You do not need to be diagnosed as having an acute illness like you do to participate in the Medicare Program. All you need to do is have prescription drug costs, and presumably those prescriptions were written by a bona fide physician, that are above the threshold amount, \$550 in the first year. When this program is fully implemented, Medicare will pay 80 percent of the cost of those drugs. It is the first and only long-term care benefit on the books, and repealing it is to repeal the modest progress but real progress that we have made in actually providing long-term care.

I can not speak for the rest of my colleagues, but I do not think we ought to say we are for long-term care and then vote against it. I also think that voting to kill the catastrophic program is a mistake for many other reasons. I will not get into the equities of the financing at this point. There will be others who will do that. Let it just be said, Mr. President, that this is historic legislation, as the chairman of the Finance Committee said earlier. This legislation created a true insurance program. With its passage, we managed to protect a lot of people without putting hardship on anyone. It is our hope that the Senate will allow us to make the corrections in this program, and some of them, as I said, are necessary, that will allow this program to continue to serve literally millions of Americans who very much need it.

Mr. President, I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I hate to take issue with my distinguished

colleague from Pennsylvania, but if there is a long-term care program in the catastrophic law here and he considers it the drug benefit program, what he is saying is it is going to continue the rest of their lives as long as they pay for it. Let us stop and reconsider this point.

On January 1, 1990, there is established a limited benefit for home intravenous drugs and immunosuppressant drugs furnished after the year following a transplant. But, beneficiaries have to meet a \$660 deductible in 1990 and pay coinsurance of 20 percent for home IV drugs and 50 percent for immunosuppressant drugs. It also provides coverage effective January 1, 1991, for all outpatient prescription drugs with a \$600 deductible and a 50-percent coinsurance. The deductible will be indexed so that 16.8 percent of beneficiaries will reach the deductible every year, and the coinsurance will be lowered to 40 percent in 1992 and down to 20 percent in 1993. But let us understand seniors are going to be paying for this wonderful benefit without, if we keep this present law in effect, any right of choice. That is serious, and that is expensive.

If the distinguished Senator from Pennsylvania believes in voluntary rights to choose whether seniors may take all of these benefits in the future, then why would we take this sense-of-the-Senate resolution, which wishes that the Finance Committee will do something by September of this year. Even if they do, it means it is going to take probably another year to enact into law unless the McCain amendment is adopted here today. And, the only way we can adopt it is to vote to table the current sense-of-the-Senate resolution amendment.

I guarantee that those who do not vote to table this amendment today are going to have to live with this law and its problem well into the next year, no matter what they do. And, every senior citizen is going to be paying too much.

The McCain amendment, unlike what the distinguished Senator from Pennsylvania seemed to say, does not do away with this catastrophic coverage. It delays the payment, therefore, so that the Finance Committee can do that which now everybody admits ought to be done.

The sense-of-the-Senate resolution is a victory in a sense for Senator McCain and myself because for the first time everybody seems to be acknowledging that we have to change the law. And, that what we have been saying here the last number of days is absolutely correct. Something has to be done.

But the amendment offered is just a sense-of-the-Senate resolution. It is a common play, a legitimate one, and probably the only one that the Senate Finance Committee leadership really

could turn to. I do not blame them for that. But it is probably the only play they could do to stop what Senator McCain and I and a number of my colleagues would like to do, and that is just delay these involuntary payments by our senior citizens which they do not want to make until we resolve these problems. They say in this sense-of-the-Senate resolution we must do something about the Catastrophic Act; something they were unwilling to say just a few days ago at the beginning of this debate.

Why go with a sense-of-the-Senate resolution which everybody here knows will be dropped in conference? And, even if it is not, everybody knows that even if the Finance Committee does everything this resolution says it will do, it is very unlikely that we are going to stop the necessity of our seniors paying too much next year and even beyond.

We heard from the distinguished minority leader that this is President Reagan's program, and that the administration wants this program, and they are against the McCain-Hatch amendment. Well, let me answer that. First of all, President Reagan's proposal offered seniors an actuarially sound simple reform to the Federal insurance program for the elderly. Instead, what was enacted was a broad expansion of Medicare benefits financed through substantial increases in the program's existing premiums, and by adding a new mandatory premium. These new program costs are resulting in nearly half of the elderly beneficiaries experiencing a fivefold increase in their annual Medicare premiums.

President Reagan's plan provided that if we would allow seniors to pay approximately \$4 per month for extended hospitalization. And, this benefit was optional. It started out as a small and workable plan. The cost equaled the benefits. But we in Congress expanded that plan way beyond what was necessary, and, then, we mandated it. We said you seniors have to buy it. The authors of the sense-of-the-Senate resolution even changed this one provision. They were going to come up with a provision that basically made part B voluntary, which already exists. But, now they have changed it so they will look into making the catastrophic benefits voluntary, period. But we all know that is very unlikely to occur without the McCain amendment passing here today.

Let me talk about the administration's concerns. The administration's position seems to be outlined in a letter from the distinguished Secretary of Health and Human Services, Dr. Sullivan, a very dear friend of mine. I have worked hard to support him. But I cannot support him on his letter. Basically, what his letter says is that the McCain-Hatch amendment

would create a financing imbalance. You have to disagree with that assertion or argument. In fact, if the McCain-Hatch is enacted, the cost of the benefit is approximately equal to the revenue collected. I believe the real imbalance is with the current law where we will collect in the next year \$7.2 billion in revenues and pay out \$4.2 billion in expenses. That leaves a surplus of \$3.1 billion.

So I call current law a financing imbalance. You have \$3.1 billion in excess revenue that is paid for by the senior citizens.

No. 2, Dr. Sullivan seems to say the amendment proposes to finance the Medicare part A catastrophic benefits by retaining the flat premium. He says that the annual actuarial value is \$65 in 1988 while the flat premium produces only \$48. First of all, the Congressional Budget Office did the estimate for us. CBO says that if McCain-Hatch is enacted, it would be represented by this smaller circle on this chart.

We made it into this great big circle on this chart, and in the process socked it to the senior citizens to the tune of \$3.1 billion in surplus by the year 1990. Under the Reagan proposal, under the McCain-Hatch proposal, you would have a \$100 million surplus, but not the \$3.1 billion surplus.

This program would work, and the senior citizens would be happy with it. It costs \$4 a month which is what President Reagan wanted to do.

If McCain-Hatch were enacted, the Congressional Budget Office said that income collected would equal \$1.8 billion, and the expenses of the part A catastrophic benefit would cost \$1.7 billion. So basically they would even out.

There has been more than one time when the Congressional Budget Office has differed with administration estimates.

Dr. Sullivan's letter says the bill would delay much needed improvements in the Medicaid Program, for Medicaid coverage of pregnant women and infants with incomes below the Federal poverty line.

Now, I respond to that with describing our intent with this particular amendment—and I want to compliment the distinguished Senator from Arizona. This created a millstone of activity. We have hardly been able to do anything today, because this Senate has been paralyzed with worries about whether or not this amendment will pass.

Our intent is to delay the Medicare provisions of the Catastrophic Act that affect Medicare beneficiaries. We are willing to discuss preserving other parts of the act that do not affect Medicare beneficiaries or are currently funded.

As a matter of fact, if you look at what the McCain amendment does, it basically retains long-term hospitalization, skilled nursing, spousal impoverishment, and the voluntary flat premium aspect. But it does do away with the mandatory surtax, limit on out-of-pocket expense for the prescription drug aspect of the bill. It does not do away with the entire Catastrophic Act. It defers or delays the payment for that until we resolve these problems which this sense-of-the-Senate resolution says we really ought to resolve—something they were unwilling to say just a few days ago.

Now, Dr. Sullivan seemed to say that any proposed modification should proceed through the normal legislative process. Well, all we are asking for is a delay for 1 year of portions of the Catastrophic Act, so that the Finance Committee can act and so that the senior citizens are not socked through the nose to continue to pay for something they do not want. We have to have time to make these changes.

If you pass this sense-of-the-Senate resolution, those payments by senior citizens will continue. They are going to continue to have to pay them, and they are going to continue to get madder and madder, and justly so, because this resolution that they now want us to refuse to table, this resolution, it seems to me, will not provide for any delay in the payment. It just says that we will try to act expeditiously by September with regard to the Finance Committee activity. Maybe we can, and I will say this: I used to think being on the Labor and Human Resources Committee was the worst job in the Senate, but I have to say to my dear colleagues on the Finance Committee, you may have us in some regards.

This has been a very difficult debate for all of us. I have nothing but admiration for those that can play with these tables all day long, as the distinguished Senator from Oregon is very capable of doing. As a matter of fact, we want him to do it as soon as he can—not play with the tables, but get something done to resolve these difficulties.

Let me finish. I do not mean to take so much time. My statement in support of this particular McCain amendment really should be brief from this point on. I intend to limit my further remarks, not only because we had ample opportunity to debate this yesterday, but also because I believe that the issue upon which we are voting is a very simple one. If you support Senator MITCHELL's perfecting amendment, the sense-of-the-Senate resolution, then we are just simply asking everybody over age 65 to write a check toward balancing the Federal budget. That is what it comes down to. In 1990, roughly \$3 billion in surplus tax collection paid by seniors will offset

the Gramm-Rudman-Hollings targets. That is what it comes down to.

Let me explain another way: First, we have to decide whether or not we want to hide behind the ruse of a perfecting amendment offered by the majority leader. The secondary amendment offers the back door to any Member who is hesitant to respond to the opinions of their seniors. If you believe, as I do, and I hope my colleagues do, that we must respond to this firestorm of public opinion, then I believe we have to vote to table this perfecting amendment. If they admit we are right on this, which basically it does, why not do something about it now, and why not defer the payment of the seniors to get it done.

We could then vote up and down on the McCain amendment, this delaying amendment. It does not stop us from keeping the whole shebang, if we want, but I think everybody admits there have to be adjustments, and things have to be changed. If we can accomplish that, that will make this debate worthwhile. We have the responsibility, and indeed the opportunity, to tell our seniors how we feel about the Catastrophic Act today, and let them know whether or not we intend to revisit this act or leave it as it is.

To fulfill that responsibility, or to take advantage of that opportunity, we have to first table the Mitchell-Bentsen amendment and allow an up and down vote, really, on the McCain and Hatch amendment. The next step would be to vote up, to vote on the McCain-Hatch amendment, which is also a simple issue. There really is no debate over the fact that all of our seniors all over this country are up in arms about this new law. Our mail settles that question. Our seniors are saying they are unhappy with the act for three basic reasons: First, with its cause; second, they do not agree with the benefits provided; and third, and most important, they do not like the Federal Government mandating them to buy this new insurance.

Let us be honest about it. Yes, everybody would like to have benefits for which they do not have to pay. I think these seniors are not that crass. I think they are saying they would prefer other benefits to these, if they have to pay this amount of money. I think they would like us to do a little better job of really moving toward long-term care, something that the distinguished Senator from Pennsylvania, I think, is in agreement with, but I think is mixed up on.

So the details on the McCain-Hatch amendment really boils down to a debate on whether or not we are going to respond to the discontent voiced by our seniors; do we have the guts to stand in front of our seniors and say that we have made a mistake, and we will take another look? I think in all

credit to those who are for this sense-of-the-Senate resolution, they are moving in the right direction, but it is not enough, if you do not delay the payment. If we enact the McCain amendment, we will delay the collection of the mandatory and expensive surtax, and we will delay the implementation of these costly benefits that seniors may or may not want in the first place. That is worthwhile doing.

Now, this chart shows that without the McCain-Hatch amendment of today, or under current law, we will have collected over \$8 billion by 1993. That is \$8 billion from the pockets of our senior citizens, which would be helping to offset the deficit, and that is a worthy goal, but will not be paying for benefits.

However, if we pass McCain-Hatch, then this small pie will be what we have. The seniors will continue to pay their flat premium. That will pay for their hospitalization benefits that are retained by this amendment. A very small surplus of \$100 million will be created during the 1-year delay in implementing the entire catastrophic program. Now, the real purpose of this delay is twofold: First, we acknowledge that we have heard from our seniors, and we are paying attention to what they are telling us. Second, we would allow the Finance Committee enough time to carefully reexamine this whole Catastrophic Coverage Act, and to fix what is broken before all the administrative gears start cranking to implement the remaining benefits and to collect the surtax.

This amendment does not attempt to define how the act should be financed or what benefits should ultimately be included. It simply recognizes that there are problems with this law and gives the Congress sufficient time to resolve these problems without continuing to overtax seniors while they do it.

I really urge my colleagues to support the McCain amendment, which would delay the implementation and much of the Catastrophic Coverage Act, or at least those parts that are not absolutely crucial. I believe by only enacting this particular delay amendment can we adequately respond to the unhappy voices of our Nation's seniors. I think it is something that needs to be done. The way I believe it will be done is if we table the current sense-of-the-Senate resolution and then vote up and down the McCain amendment.

Now, there are those who will say that they will drop the McCain amendment in conference, too. I question whether they will, because I think there is a firestorm in this country that is brewing, and I think the McCain amendment, once passed, will send an appropriate message to those in the House who are fighting so

strongly to maintain this program as it is, in spite of the fact that the seniors do not want it as it is. I can easily see why.

Now, again, I have said some fairly tough things here, but I also want to compliment my colleagues on the Finance Committee for the difficulties that are involved in these problems. We are trying to help them along in the easiest way by giving them time to do it without socking it to the senior citizens in this country. I hope they will listen to this sound, wise advice from Senator McCain and a whole raft of others.

Assuming they will not, if we happen to lose on this motion to table, I believe it is safe to say that this issue will be revisited time after time, until something is done about it.

I think it is only fair to say that that is not done to embarrass or hurt or to make life difficult for anyone. It is done sincerely because we think this simple amendment ought to be enacted and we think that the Finance Committee will be able to do what needs to be done without any further costs along these lines to our Nation's seniors.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, first I would ask, if he has not been added, unanimous consent to add Senator SIMPSON as a cosponsor of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, before I start on the substance of the catastrophic bill, let me lay out where we were at the time we started the hearings on the bill and why we did what we did and what the current law was then. I often find in debates on the Senate floor we talk in an inside lingo, part A, part B. So to make things very simple let me put it as follows: When people refer to part A of Medicare they mean hospital payments. When they talk about part B they mean doctors' payments. There are some other payments. I am talking generally. But part A hospital, part B doctors.

And as best I can I am going to use 1993 estimated costs because that is the estimate we have been using about the long-term care bill.

In 1993, the estimated part A hospital costs, the Medicare payment for hospitals, is \$88 billion. The money for that is raised totally by the Social Security tax. It is 1.45 percent of your wages that the employee pays and 1.45 percent of your wages the employer matches, and that collective 2.9 percent produces enough money to pay for part A.

There is no additional taxpayer financing, and the beneficiary pays no premium.

So what this does mean; in essence you could work all of your life and pay your 1.45 percent and your employer matches your 1.45 percent and you die at the age of 60 and you paid all this money in for part A Medicare hospital payments and you never collect anything. This is truly an insurance program.

Part B is different. And part A, I might say, is mandatory. When you are working you have to pay it. You have no choice. Part B is the doctors' payment, and I said part A in 1993 is estimated to cost \$88 billion. Part B, the doctors' payment, is estimated to cost \$70 billion. Part B, however, is not paid for by a Social Security tax or a payroll tax. Part B is paid for by the beneficiary paying roughly 25 percent of the cost and the Government generally, the general taxpayer, paying 75 percent of the cost, just out of the general revenues of the Government rather than out of the Social Security tax.

So, again, in 1993, \$88 billion of hospital Medicare is all paid for by the payroll tax on Social Security, \$70 billion of part B doctors' payments of which beneficiaries will pay about \$54 billion in general fund taxes.

Beneficiaries do not have to participate in part B. They can, as we call it, opt out, but when you realize the Government is paying 75 percent of the cost and you are paying 25 percent it hardly makes sense to opt out and go out and buy your own plan when you could not in any way, shape, or form, buy anything close to what you are getting when the Government generally is paying 75 percent of it.

So 95-plus percent of the people choose to opt in and they pay what is known as a flat fee for the part B premium. Again, I want to put the costs in perspective. In 1993, \$88 billion for hospitals under Medicare, \$70 billion for doctors. The estimated cost of this catastrophic health insurance bill in 1993 is about \$5 billion, hardly an insignificant amount, but compared to \$70 billion for doctors and \$88 billion for hospitals and you begin to get an idea.

For those who say, "Why didn't the committee undertake long-term care," that is translated nursing-home care, one is we had no idea of the cost but any of the rough estimates ran anywhere from \$25 billion to \$100 billion a year when in full effect. It depends upon how generous the plan is, how much the Government pays, how much you might make the beneficiary pay. But it was a very expensive proposal. Any of them are expensive.

And you had the further problem with long-term care, nursing home care, of wondering how many people are now taken care of at home or how many aunts are living with their nieces or how many people are taking care of their dad who if there was a

Government program for nursing home care might just absolutely take them and put them in the nursing home. We have no idea.

So that is one of the reasons we did not get into nursing home care, long-term care in this bill, and we tried as carefully as we could not to give any impression that this was long-term care. Maybe in retrospect we made a mistake in calling this a catastrophic health insurance bill. Maybe we should have called it something different because in the public's mind they might have thought catastrophic means high cost, nursing home is high cost; it covers nursing home. I do not know that they thought that at the time. We did not mean to give them that impression.

That is the background as we started down this road on long-term care, and this was a conscious, deliberate process. The House had long hearings. The Senate had long hearings. This was not something done in the dark of the night with a dagger held beneath the shawl. This was open, aboveboard, debated, witnesses. At that time it went through the House, at the time it went through the Senate, it had slightly different benefit proposals, slightly different methods of paying for it, but interestingly, both proposals, House and Senate, said the beneficiary should pay. Both the House and the Senate proposal, although they had slightly different ways of paying it, had a progressive scale of payments where those who had more money paid slightly higher than those who had no money.

The one major difference is as the bill passed the Senate you could have opted out of the catastrophic health insurance program if you wanted, but if you opted out, you also had to opt out of the part B doctors' payments which the Government pays 75 percent of. And we really had no fear that very many people would opt out of a catastrophic program, the total cost of which was \$5 billion roughly, when they also had to opt out of a part B doctors' payment program, the total cost of which was \$70 billion, of which the Government would be paying about \$54 billion, and if you want to opt out, provide your own catastrophic coverage, you can, but then you have to provide your own part B doctors' coverage, and we did not worry about it. We thought most people would stay in the program.

The House insisted on getting rid of the opportunity to opt out. It was a contentious point. We gave into the House. But I think we gave in knowing full well that very few people would opt out anyway.

Perhaps we underestimated the desire of the people to have the right to opt out even though they would not opt out. Maybe it is kind of like being asked to go to the prom. You want to

be asked. You may not want to go with the person who asked you, and you may not go at all, but you want to be asked. And then you have an option as to whether you want to go or not.

So in this proposal now, that Senators MITCHELL, BENTSEN, DOLE, and myself have proposed, we have put back in the opt-out provision. I am not worried at all that it is going to in any way skew the curve on who opts in and opts out. I think that is probably a red herring in terms of what will actually happen.

So we passed the bill. It passes here 86 to 11. The conference report passes 86 to 11; overwhelming Republican and Democratic support. The President supports it. Secretary Bowen supported it. President Reagan supported it that time. There was uniform support. It passes.

Here are the benefits that you get in 1993 for \$5 billion.

One, you get unlimited hospital payments after you have made a \$704 payment yourself, and the rest of that is paid for by the Government through this catastrophic plan.

Second, you get 150 days of skilled nursing home care, skilled nursing home being the level below a hospital but above a nursing home. You get 150 days of that.

Third, you get 38 days of continuous, if you need it, home health care. Somebody will come to your house hours of a day and help you. Thirty-eight continuous days, plus up to 6 days a week—there are only 7 days in the week—6 days a week for an indefinite period of time so long as a doctor orders that you need it. It is literally full-time home health care all year long.

Then, in addition, you get hospice services for an unlimited period of time. Hospices, to those people who run them, I take off my hat. This is where a person who is going to die goes. They know they are going to die. And they do not normally stay in a hospice very long because they are close to death when they go there and they are dealt with with loving kindness by people who understand that death is imminent. An unlimited stay in the hospital.

Then you have a cap on your out-of-pocket expenses for drugs. This is not hospital, but doctors. After you have paid \$1,900, the rest of the doctor payments are paid.

You have payment for all prescription drugs, what we call outpatient—that is out of the hospital—prescription drugs after a \$710 deductible, and all what we call intravenous home drugs.

Put it this way: A prescription drug, basically, is a capsule, let us say. You take it with some water and you drink the water. An intravenous drug is obviously one that you take in your vein. And the home intravenous drug provi-

sion here allows you to be trained to give yourself a shot at home and how you do it, and here are the drugs. And those costs are covered also.

Then Senator McCAIN referred to the spousal impoverishment. Under today's law, in order to be eligible for Medicaid, you have to spend all your assets, give them all away. You normally, in a situation where you have a retired couple and one of the spouses has very expensive medical care, they own a house, they have a couple of cars, they have a slight retirement. They have to spend all of that, get rid of all of that and impoverish themselves and then they become eligible for Medicaid. We have made a provision in the bill where you do not have to do that.

There are other provisions in this bill, but it is a very generous bill, and those are benefits, by and large, that no one has testified against. I very seldom run across any group that does not want the benefits. Oh, there may be some argument as to whether or not you want the prescription drug benefit from somebody or some argument as to whether or not the doctors' bills above \$1,900 should be paid for. But, by and large, when we had the hearings on this and the debate on the Senate floor, as you look at the record, the debate was not, "We don't want the benefits."

We then decided, and Senator GRAMM was very good about talking about this, that for the first time—and this is an entitlement program; you are entitled to it as a matter of law—the beneficiaries would pay for the program. Rather than loading it onto the general taxpayer or rather than loading it onto Social Security, we said, "The beneficiaries will pay." It is very much like the current part B premium under Medicare where the beneficiary pays for it. It does not come out of the general taxpayer money. It does not come out of the Social Security Trust Fund.

However, we made a distinction for the first time between the present part B and what we did here. Under part B, everybody pays the same amount, whether they are rich or poor.

If you are retired, if you have nothing but Social Security, you pay the same amount as somebody who is retired and has \$500,000 of income, you pay the same amount to buy that part B premium to pay your doctors' fees.

We said, in scheduling the taxes on this particular benefit, we would scale it according to income. And I am not going to use the term rich or poor. I have never met anybody who thought they were rich. It is all in the eye of the beholder. If somebody is making \$10,000 a year, they think somebody making \$50,000 is rich. If somebody is making \$50,000, they do not think they are rich, but they think some-

body who is making \$200,000 is rich. And a person who is making \$200,000 does not think they are rich. They are having trouble meeting their tuition expenses for their kids. They do not think they are rich. So it is in the eye of the beholder and I am not going to use the term, therefore, rich or poor. I will say that some people make more income and have more money than others.

We said in this bill that while there will be an increase in the flat fee that everybody pays—and in 1993, that flat fee is slightly over \$10 a month—in addition, there will be a supplementary fee based upon income. I am not even going to say ability to pay, except I will say that the more income you have, the more you pay; the less income you have, the less you pay. It is the same concept, of course, as our income tax.

Now, the flat fee, the \$10 a month, roughly, that everybody will pay in 1993, more than they are paying now, will provide about 37 percent of the money for the catastrophic program. The supplemental tax that is based upon income will provide about 63 percent.

And the debate that we are having is all about the supplemental tax. We have had almost no debate about the \$10 a month flat fee. So if you were to get rid of the supplemental tax, if you just had the flat fee and it was raised 37 percent, what could you get for your 37 percent?

Well, you can cost out all of these benefits I have listed, but I will give you a specific one and it is ironically almost identical. If you wanted to keep the cap on your out-of-pocket expenses for doctors—it is a \$1,900 cap; you have to pay up to \$1,900 and then the rest of it is paid—that particular provision takes 38 percent of all of the money that is raised. The flat fee raises 37 percent. So if you wanted, you could say, "We will have that benefit and we will get rid of the progressive supplemental fee and we will not have any of the other benefits. We will not have any of the home health benefits. We will not have any of the catastrophic coverage in the hospital beyond \$700. We will not have any of the others."

Or you could rearrange the benefits in any fashion you wanted to say, "We will have only a flat fee and we will collect as much as it collects and we will pay as many benefits as it will pay, but you cannot have them all."

And, as yet, very few people—some, in fairness, have—but very few have come in and said, "Here is the list of benefits we want you to get rid of." What they are coming in and saying is, "Here is the tax we want you to get rid of."

Then we thought, when we passed this, that we wanted to be responsible.

Not only would we ask the beneficiaries to pay for it, but as we were not exactly sure of how much over the next 5 years this would cost, we estimated that we wanted to collect a little more money than we would pay out. The reason we wanted to do this is we have been so badly burned in the past on underestimating medical costs, Medicare, Medicaid. For years, we have underestimated. Not with malice aforethought, not with evil, but we just underestimated the costs.

So we thought, over the 5 years total cost, we will try to collect \$35 billion and the cost will be, total, \$31 billion. So we would have a \$4 billion reserve.

Now there is an estimate floating about, I think probably accurately, that instead of collecting \$35 billion, we will collect \$39 billion, so we will have an \$8 billion reserve. Except now that administration says, "Well, our estimate of the costs are now \$34 billion." So the administration's estimate of the costs have gone up \$3 billion in 3 months. So we have this slight reserve.

And we also said something else. We said we are going to start collecting the tax first. And for the first few years, we will have more money coming in than we are paying out. Over the whole 5 years, over the whole 5 years, we are going to have hopefully, more money coming in by a slight amount than we are paying out. But we said we will start collecting the money first and we will phase in the benefits gradually, although the hospital benefit where you pay nothing after the \$700 roughly, that is in effect now, January 1, 1989. It is in full effect. But others, some of the drug benefits, come in later. It is scaled up until they are in full effect.

So some people are now mad—although there was nothing in the hearings on this, nothing secret about it—some people are mad that they are now paying the taxes and they are not immediately getting the benefits.

And when you say we are trying to build up a trust fund so we do not have the situation like we do in the general Medicare trust fund, where in about 1991 or 1992 it goes in the red—we are paying out more than we are taking in in general Medicare funds. But they are mad that they are being taxed, and they do not like the progressive tax part of it.

Now, I emphasize again on the flat fee itself, 1993, \$10 a month, there is not much debate. On the progressive fee after that, a substantial debate. But when you get to 1993, here is roughly the way the situation works: If you make \$20,000 or less; you are a retired couple, husband and wife, both retired. If you make \$20,000 a year or less, counting your Social Security benefits, you pay no supplementary tax at all. Zero. You pay the flat \$10 a month, but you do not pay any supple-

mentary tax. If you make \$75,000 or more you pay a maximum of \$1,050. And, in between the \$20,000 and below where you pay nothing and the \$75,000 and up where you pay \$1,050, you pay a little bit, from zero working up progressively to the maximum.

What that means is that in 1993, 52 percent of all of the people on Medicare, all those over 55 and eligible, 52 percent—yesterday I used the figure 59 and but I was using 1989 figures. I am trying to hold these now to 1993 figures. Fifty-two percent of the people pay no supplementary tax at all; zero. Fifty-nine percent will pay \$100 or less. Seventy percent will pay \$300 a year or less. The average payment will be \$492 and for that \$492 you will be covered for the entire list of benefits that I mentioned earlier in this speech. And for the average person on Social Security, the average person if that is their sole source of income, they will pay nothing because they fall below the \$20,000 level. Again I am talking about averages and here I can only give you 1989 figures because we do not know what the average will be in 1993 because it is indexed to inflation and we do not know what inflation will be.

But today, the average retired couple, husband and wife both retired, average benefits \$12,000 a year, they are maximum benefit, \$16,200. That is for the average. So, for most people solely on Social Security, they are going to pay nothing.

Lastly, the argument is raised: Lots of people have coverage now and we are forcing them, therefore, to pay a tax to cover the benefit they do not need because they are covered in some other plan, even though they are retired. And if they are not going to use any of it, they should not have to pay for any of it. Although I suppose that argument could be used on any number of taxes we pay today. You are married, you never had any children, but you pay taxes for schools. You can use the argument: I do not use them, why should I pay for them, but we normally say: For the collective good of society.

Everybody is going to pay something into the roads even if they do not have a car; and they are going to pay something into the schools even if they do not have children in school. But when we look at the actual payments in existence today—this is again 1989, we cannot project the future—of all the Medicare eligibles, this is everybody over 65, 11 percent of them currently have a plan where their employees pays all of their retirement benefits. This does not mean the benefits are equal to what you can get under Medicare now, but at least they have a plan, with whatever benefits they have, and their former employer pays them all. It is usually under a collec-

tive bargaining contract. But that is 11 percent.

Another 12 percent have employer plans. They are retired, but the employer has a plan and the employer pays something, the employee pays something. Five percent are under employer plans but the employer pays nothing at all, the retired employees pay it all.

Forty-one percent of the people, whatever Medigap or supplementary policies they currently have, they pay for it all by themselves. Another 22 percent have no coverage at all.

So, under the most favorable circumstances, you have 41 percent paying for it themselves, 22 percent having no coverage at all, and just praying that Medicare will take care of whatever costs they have. Those people are not going to opt out of catastrophic insurance. They are not going to opt out of the present part B where the Federal Government is paying three-quarters of the cost of their doctors' bills.

So the only issue we really have is this, in my judgment, and I think the debate today has been first rate. One, do we want the benefits or, in retrospect, does the public want to say: Wow, we did not understand when we passed this, how much it was going to cost and who was going to pay it, and the pain of paying is enough that we do not want the benefits? Senator McCain yesterday addressed himself to that; Senator Gramm has. And I think that is fair.

But I will make this bet. If the Benton-Mitchell-Dole-Packwood sense-of-the-Senate resolution is adopted, we go back to the Finance Committee and we have hearings on this subject again, that 80 to 90 percent of the witnesses will testify about the unfairness of the tax and very few witnesses will testify about eliminating benefits. And that is a fair debate.

So, in sum, here is where we are, Mr. President. Do we want the benefits, yes or no? That is a fair debate.

Two, whatever benefits we have, do we want the beneficiaries to pay for it or the general taxpayer? And that is a fair debate. Yes or no?

Three, however we pay for it, beneficiaries or general taxpayer, do we want everybody to pay the same tax regardless of how much money they have or should we say that the very poor can pay nothing or a small amount and those who are luckier, who have more money—I am not going to use the word "rich"—will pay more? And that is a fair debate.

Three issues: What shall the benefits be? Shall they be paid for by the beneficiaries or by everybody in the country? No matter how they are paid for, shall everybody be levied the same tax, rich and poor, or should we scale the tax so that those who have more money pay somewhat more than those

who have less? That is the sum total of what we are talking about here tonight and what we will be talking about if the Mitchell-Bentsen-Dole-Packwood resolution passes.

I would hope we would pass it. I look forward to the debate. I agree with Senator GRAMM that we made a wise decision when we said: Here is an entitlement program that we think the beneficiaries ought to pay for. And I hope we have first-rate hearings and we hear from lots of people—I hope, I am not an optimist—that says: No, I do not want the doctor's fees. I do not want the drug benefit. I do not even want the hospital benefit. I will give these all up in exchange for giving up the taxes.

This is a representative Government and, by and large, the grass roots work and, by and large, Congress responds. If that is what the public wants I think that is what we will come up with.

But when we had this debate last year, and when we had the hearings, very, very few people said give up the benefits. As a matter of fact, at that time very few even said anything about the taxes.

So, Mr. President, I will conclude by saying let us get on with the debate tonight, let us get on with this and then, hopefully, the hearing. It has been one of the best areas of Government spending, Government-provided benefits and who should pay for it, that I have seen debated on the Senate floor in a long time.

THE PRESIDING OFFICER (Mr. BRYAN). The Senator from Florida.

Mr. GRAHAM. Mr. President, I will be brief because most of the substantive points of this debate have been covered. I would like to talk about a public policy process which I think is really the difference between the resolution, the sense-of-the-Senate proposal that is before us, and the underlying amendment offered by the Senator from Arizona.

We have a range of choice. We have a range which runs from outright repeal, to ratification of this legislation as it is, to reform. I believe that the debate which we have heard today indicates that a strong number, if not majority, of the Members of this Senate have indicated that they favor a reform position. They are not for the elimination of all of the benefits that flowed from this legislation, but they are not satisfied with the legislation in the form that it is about to be implemented.

I am in that position. Mr. President, there are many positive aspects to this legislation. I would like to mention one which has not received a great deal of comment, and that has to do with, for the first time, the provision of Medicare funding for a health screening process, in this case mammography.

We know that there are a number of screening procedures which have enormous benefits in terms of the quality of life of human beings and the economics of health care. Mammography is an instance in which early identification and action cannot only substantially enhance the long-term prospects of a woman who has been afflicted with breast cancer, but can also save significant funds in the cost of treating that dreaded disease.

I believe that that is an example of the kind of enlightened preventive medicine and reduction of long-term health care costs that should become a more significant part of our national health policy as expressed in Medicare, and I believe that that is the kind of policy that should be retained.

So I am not for a repeal of this legislation. The comments were made earlier this afternoon by the Senator from Pennsylvania which indicated by voting for the McCain amendment we were in effect expressing a position of repeal. I do not know what characterization the Senator from Pennsylvania would place on this action. I would not and do not intend it to be interpreted as an action of repeal.

However, Mr. President, there are some serious policy issues that deserve attention. Let me mention them, without at this point endeavoring to fully elaborate on each of those.

One is the question of how should this program be financed. We in the past in this Nation have had some programs which were essentially programs of social welfare and, to a degree, part B, the physician's cost of the Medicare program, is an example of that. We heard the statistics from the Senator from Oregon that those who benefit pay approximately 25 percent of the costs; the general taxpayers, through general tax sources pay the other 75 percent. That is a statement of social policy that we want our older citizens to have access to physician care, and the general public is prepared to pay 75 percent of the cost of assuring that.

We also have some programs which are, in effect, truly discretionary. If you decide to utilize a national park, you pay a fee in order to utilize that park and that fee goes, in part, to paying for the maintenance and upkeep of the park. If you choose to fly on a commercial airline, you will pay an 8 percent tax which will go toward maintenance of various aspects of our Nation's aviation system. Those are, in a sense, voluntary programs in that you elect to use the service and then, if so, as a user, you pay a special tax that goes toward rendering that service.

What we have here is a program which is not voluntary in that all of those who participate in part B of Medicare, and 95 percent plus of those eligibles do participate because it is

such an economically advantageous program to join, all those must be part of this catastrophic health care program. So it is not a voluntary program; it is not a user fee, but, on the other hand, it is not a welfare-financed program as is the rest of part B because it is only those persons who participate in the program who pay for the program. It is not distributed over the broad population, as is the balance of part B.

I believe that is a very fundamental issue which, frankly, last year in the discussion of the benefits was not given adequate attention in terms of the philosophy of how we are going to pay for it. I am not suggesting how that debate ought to come out, but that is a debate that needs to take place.

A second important policy question which needs to be dealt with is the issue of duplication. I have heard that possibly as high as 20 percent of those persons who are eligible and who are now covered by catastrophic health care, either through their previous employment in a fringe benefit package or through their own purchase voluntarily, had essentially already paid for the same type of benefits which now they are going to be mandated to pay for and receive in an duplicative form under this legislation. I know there have been some efforts made to try to deal with that duplication, but apparently, Mr. President, they have not either been adequately communicated or have not been effective because there is a tremendous degree of concern about the question of multiple payments under this program.

A third issue, Mr. President, is the fundamental question of where is the line between what the public should require through a mandated program, such as Medicare, and where do you say it now becomes the responsibility of the individual citizen through his or her own action during their working years in preparation and in their retirement years to assume responsibility.

One of the ironies of this legislation, Mr. President, is that the cost of private Medigap insurance, that is, the cost to go out in the marketplace and buy a policy which will cover the gaps that still remain, in my State at least the cost is higher after catastrophic health care than it was before catastrophic health care.

You can ask how can that possibly be? That is a question that needs to be asked. Let me suggest one of the answers to that is the fact that we have created a whole new set of gaps by virtue of catastrophic health care, the most obvious being in prescription medication. Now we are buying policies to fill the gaps that were created in prescription medication which did

not exist before because we did not pay for prescription medication before. I believe that we have to face the question of where is the proper line of public and private responsibility in providing for one's medical needs in retirement.

A fourth issue which concerns me is that the agency which is being called upon to administer this program is the Health Care Finance Administration. Mr. President, I do not know what you have heard in your State, but I can tell you in mine, I do not think there is a public agency—local, State or national—which is held in lower repute in terms of its ability to administer a complex program than the Federal Health Care Finance Administration.

In my State in a hearing that was held within the last few days, we heard testimony from health care providers, physicians, suppliers, and others who had not been paid for as much as 3, 6 or more months by this agency. The agency was very candid as to almost the collapse of their capacity to do the basic things of paying bills of providers.

Here are people we are trying to induce to come in as Medicare assignees, that is to say, I will accept full reimbursement for Medicare and will not ask for the clients to pay any beyond Medicare and then the organization that is supposed to pay the provider is 6 months late in paying the provider's bills.

What in the world kind of organization are we about to turn over an additionally highly complex undertaking to administer? I believe that one of the very fundamental issues is, does this organization have the capacity to effectively administer this program and, if not, what do we need to do in order to assure that we are not going to add one administrative nightmare on the disaster which already exists.

Finally, Mr. President, is the issue of long-term care. Maybe it was unfortunate, as the Senator from Oregon said, that we labeled this the catastrophic health care bill and, therefore, built up some expectations that we were going to be covering what most older Americans think of as their greatest catastrophic vulnerability.

What is that? It is the fact that they may end up at some point in their lives in a long-term care facility at tremendous cost which drains them of their last resources. Mr. President, that is a very real concern. In my State today, we have approximately 1½ percent of our 13 million citizens over the age of 85. That is the fastest growing percentage group in our State. Mr. President, I would suggest that that is going to be increasingly the pattern for the Nation, and we should take great pride in the fact that we have reached the point that we can extend life to such an age. But the extension of life has raised some

basic new challenges to how we deal with the aging process. It used to be, and a premise of Medicare continues to be, that people did not live much beyond 65 and they would die of a single traumatic experience. Today we know that millions of people are living well beyond 65 and that death is the last chapter of an extended aging process.

We need to begin to deal with that reality in our Medicare legislation.

Going back to the comments of the Senator from Pennsylvania, who indicated that the only way we are ever going to extend Medicare is through the financing concept contained in this bill—that is, funded within the circle of those who benefit—I would suggest if in fact that is the philosophy the Federal Government is going to take today and into the near future, if you ask the elderly how would you like to spend your only dollars which are going to be available for catastrophic circumstances, they would rather spend their money for long-term care than for the kinds of benefits, as desirable as they may be, that are contained in this legislation. I think we need to face that question, making some very basic choices which in selecting one course imply that we are foreclosing others.

Mr. President, those are just some of the policy issues which I think need to be addressed in this reform effort. And so we come to the question of the politics of catastrophic health care reform—which course of action, a sense-of-the-Senate resolution directed to our Finance Committee to consider a list of issues or an amendment to the laws of this legislation which would defer all those portions of this legislation which have not gone into effect for 1 year, defer for 1 year. Which course of action is more likely to accomplish the result of a serious examination of these and other policy issues that will be identified. In my opinion, there is no question but that the approach suggested by the Senator from Arizona will get us to that serious consideration with greater certainty.

We need to send to our colleagues in the House a strong signal that we are concerned and we want to reach out to them in a collaborative effort to engage in this reform process. I do not think a sense-of-the-Senate resolution directed at ourselves is going to accomplish that objective. We need to assure ourselves frankly that we will not be debating this issue repetitively in the Senate.

I suggest that the most likely course of action, if we do not act on the amendment of the Senator from Arizona or some similar proposal, is that we are going to be back on this issue on a recurrent basis over the weeks and months ahead because of the level of apprehension and concern that this issue has engendered among our citi-

zens. I think now is the time to send a statement that we are concerned, that we are not going to repeal, we are serious about reform, and we are placing ourselves in the most advantageous position in which to accomplish that reform.

I thank the Chair.

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DANFORTH. Will the Senator yield for a parliamentary inquiry, please.

Mr. DURENBERGER. I yield for a parliamentary inquiry.

Mr. DANFORTH. Mr. President, I ask the Chair if there is a unanimous-consent agreement that has been entered into on future votes today?

Mr. McCAIN. Will the Senator yield so that maybe I can—

Mr. BENTSEN. Mr. President, if I might comment on that, I think one is close to being worked out and will be presented quite soon to this body for agreement. The principal sponsor, Senator McCAIN, and those in opposition and those representing the amendment before us I think have that completed.

Mr. DANFORTH. I thank the chairman of the Finance Committee. I would hope so. We have been waiting now—

Mr. DURENBERGER. Mr. President I yielded for the inquiry and not the comment.

Mr. DANFORTH. I appreciate that. We have been waiting around, I think, Mr. President, since 9-something this morning. Is that when we went in?

The PRESIDING OFFICER. The answer to the question of the Senator from Missouri is that there is no consent agreement at this point.

Mr. DANFORTH. I thank the Chair.

Mr. DURENBERGER. Mr. President, I thank my colleague from Missouri for reminding me that most of the day today we watched a colorful picture of the Capitol on our television sets while nobody was doing anything down here on the floor. I can understand his impatience and that of a lot of other people who seem to be pressing this debate to a close. That particular inquiry was appropriate because we all know that debate is coming to a close and at the end of 2 days, or 2 part days of this debate, it is sometimes difficult to be creative. I do not intend to be any more creative than any of my colleagues but I do intend to summarize these arguments.

By way of credentials for doing so, Mr. President, let me say I spent 6 years, the first 6 years of the 1980's as chairman of the Medicare Subcommittee of the Senate Finance Committee. I do not come quickly—I may come lately in this particular debate—or un-

prepared to the debate on catastrophic.

I think the issue we are going to face when we go to a vote is whether or not we want to repeal catastrophic or fix it. I would like to speak to that. I hope there is no question in anybody's mind among those who propose the McCain-Hatch amendment that if they are successful, catastrophic and everything that goes with it is repealed. I am going to, during the course of my remarks, address that. The alternative, the amendment of the majority leader, is an effort to try to fix those areas that there seems to be some consensus represent a problem.

Mr. President, I also promise to stick to some notes I made late last night after yesterday's debate so I do not wander off and take a lot of time. Senator Packwood did a pretty good job earlier today trying to educate even the impatient about Medicare. There are not a lot of people who can come to the Senate Chamber and describe Medicare—I am going to touch on that later, because a lot of us in town meetings have been confronted by people who object to the catastrophic bill and I would guess that a lot of us have difficulty even in describing the Medicare bill on which catastrophic is premised. It is not an easy subject.

Medicare is a set of financial payments for hospital bills under part A, skilled nursing facilities, nursing homes, home health and hospital care, the things that people really need when they are desperately sick.

Under part B, as our colleague from Oregon described, Medicare is a series of financial payments for the doctors that you need, for outpatient surgery and for medical equipment—one of the most comprehensive and one of the most costly insurance, health insurance plans in America. It is difficult at any given time to estimate the actual cost of Medicare. I think it is very important to all of this discussion today about who pays what and how much that we try to fix the value of Medicare to America's elderly and disabled. The cost of part A or the hospital part of this, the value to my mother and father, hopefully watching this today down in Florida, can best be represented by what a person who does not have Social Security or does not have railroad retirement has to pay in a premium to get Medicare, and that premium today, just for the hospital coverage, without catastrophic—just hospital without catastrophic—is \$156 a month. It totals \$1,872 a year for a person without Social Security as an entry ticket or railroad retirement as an entry ticket to buy just the hospital part of Medicare.

Now, I would guess that out in the private market, which several of our colleagues have been touting as a better place to buy health insurance, if that \$156 represents one person's

portion of the cost of the social insurance system, that same plan would cost at least \$190 a month.

What do Medicare beneficiaries pay for this \$156 a month plan? Zero, Mr. President, zero—just like that. They pay nothing for it. It is free, unless they use it. If they have to use it, like a typical insurance plan, then they pay a deductible which right now is fixed at \$560 a month, which is a cost of a day in the hospital for the elderly in this country.

Then under the current system, before catastrophic, they would also pay out of pocket for days over 60 days. The average out-of-pocket expense before catastrophic for people who have to go to the hospital under their Medicare plan is \$8,160. That is what the doctor would cost you and that is what the hospital would cost you before this catastrophic bill. All these people who get this insurance for zero, to get the coverage, but also if they have to use it, it costs them \$8,160 on the average.

After catastrophic, after this bill that our colleagues are trying to get rid of, do you know what the total cost is, Mr. President? For the hospital portion, \$560; for the total of the hospital and the doctor it will be about \$1,560. So from an \$8,160 out of pocket for the average person, the catastrophic bill takes it down to \$1,560.

Part A catastrophic does that for my folks. It also gives them 150 days in a nursing home. It gives them home health care, and now hospice unlimited for the terminally ill.

Part B—what is the doctors, outpatient, surgery, and medical equipment—cost the average elderly person in this country \$27.90 a month. In addition to that, they pay a \$75 deductible against their first \$75 in services and after that, they share in the costs 80-20. To give you some idea of what this combination of part A and part B coverage might cost the average retired person if you bought it in the private market, I went and looked at the Federal employee's health benefit plan that we all have to find out what the average Federal retiree would pay if they were not in Medicare. Buying the Federal employee health benefit plan, Blue Cross, Blue Shield, high option plan, which is the same kind of coverage, that cost per year to the employee would be \$2,196, plus the Government's share added in.

There is another insurance out there that has been mentioned a lot of times. That is Medigap. Now I think we are going to get to the villain, if you will, in this whole piece, and you are going to get one of the reasons why we are doing catastrophic. Medigap is out there to pick up the \$560 deductible at the hospital, and it is out there to pick up the 20-percent cost sharing. Right now my parents are paying \$90 a month to buy this kind of

coverage from one of the Medigap insurers.

After the catastrophic bill, the maximum amount that the elderly will pay under part B out of pocket on the 80-20, the 20 percent of their cost sharing, which now my folks are trying to cover with this \$90 a month premium, is \$1,370. After that, it pays. In addition to that, they are going to get for the first time in the history of Medicare a wellness benefit. My mother is going to be able to get mammograms. We tried to get colorectal exams for my father, and do some other sensible things that will save the whole system millions of dollars. But we were only able to get the mammograms. They want to throw it out.

Long-term care, everybody says there should have been long-term care. There is long-term care in here. What do you think respite care is? Suppose you are a 70-year-old Minnesotan, as we had at our bipartisan commission hearing, who spent the last 10 years of his life caring for a totally disabled spouse 24 hours a day. He needs somebody to come and help him occasionally to be relieved of that responsibility. That is respite care, and that is in the catastrophic bill.

Drugs: The reality is according to AARP 80 percent of the elderly in America need some kind of a drug benefit. This catastrophic bill gives them a drug benefit. You talk about what do they need the most in America? Is it long-term care? Twenty percent might need long-term care. Ninety percent need it for chronic illnesses. Eighty percent need some kind of drug coverage. You wonder why AARP on behalf of 28 million Americans supported this bill. It is because it provided what most Americans need immediately—drugs, prescription drugs.

How do we pay for all of this? You have heard this before. Thirty-seven percent of the costs are \$4 a month premium. Forty-eight dollars a year on top of \$27.90 a month makes \$382 a year for this plan that is worth at least \$4,000 or whatever—\$382 a year. Then there is this supplemental premium which I think, I hope, we have discovered by now is the main reason the proponents of this amendment want to do something about catastrophic because they do not like the supplemental premium.

Who pays for supplemental premiums? Fifty-nine percent of the elderly and the disabled do not pay it. We have heard that before, and I hope people will understand that. All of the 59 percent of the people who pay, you know, take 59 percent right here, 60 percent of the folks in this room, from right over here, all the way over there—they do not pay anything other than \$48 a year extra, or \$382 a year in total.

Over here, where a lot of the complaints about this bill are coming from, somebody is going to pay a little something. But for most of them, it is a little something.

Seventy percent of all of the elderly will pay a supplemental of less than \$100 a year. So that makes their total premium \$481 for all of these benefits that we have already described. Ninety-two percent will pay supplementals under \$500 a year, or that is a total of \$881 a year for this same package that we have just described. Only 5 percent pay the maximum of \$800; \$800 plus \$382 is \$1,182 a year for a \$4,000-a-year package of insurance. But who pays it? You have to make \$40,000 a year as an individual or \$80,000 a couple before you get to the maximum. I hope that gets drilled into some folks here. That is not the total income because we all know it does not include the one-half of Social Security that is not taxed, and it does not include all the tax-exempt income that most of our parents and other retired persons have, which leads me to something else.

Why do we have the problem before us today? I think first as I have watched this, because every investment banking company in America began to sell tax exempts last year against the notion that every elderly person in America was going to get taxed by this new catastrophic program. I did not want to embarrass my friends by going and getting their advertisements, but beginning last summer and all last fall into the winter the message was out there that the Government is going to tax you for Medicare. You had better buy a tax exempt bond.

I think they went a long way toward convincing a lot of those folks out there that they were going to get taxed, including the 59-percent who will not see a tax.

The second reason is because every medigap insurer in America decided to take advantage of a windfall. This is a great time to make money if you are an insurance company because everybody is confused.

Now the logical thing is if my mother is buying 90 dollars' worth of medigap to cover a \$560 deductible, and a potential \$8,160 bill while she is in the hospital plus the 80-20 unlimited, or the 20 percent of the 80-20 under part B, and to cover all the rest of these sort of things, you would think that when her kid went down last year and said, "I am going to do something good for you. We are going to do catastrophic. We are finally going to put in Medicare something it always should have had." Then we went back and explained how all you will pay is a \$61 deductible under part A and a \$75 deductible under part B, \$1,700 out of pocket, that is it. You can quit buying Medigap. She assumed

the Medigap rates would go down. So did I. But no way. The Medigap rates all went up. Hers went from \$90 to \$120 a month—absolutely incredible.

My colleague from Florida suggested that somehow we created new gaps in the system. We did not. We closed the gap. He talked about some gaps in the drug benefit. The drug benefit will not be here until 1991, and it will not be fully implemented until 1992. We closed the gaps. They ripped us off, and that scared a lot of our seniors. Another objection that I have heard during the course of this debate is that charging us for insurance is just not fair. Social insurance ought to be intergenerational, and I agree. It ought to be intergenerational.

I went and dug out from the Congressional Budget Office an example that demonstrates whether or not somehow we had killed, Mr. President, the intergenerational effects of the Medicare Program, and here is what we found out: The average 65-year-old male American who retires today and becomes eligible for Medicare will, in his average lifetime, use up all of the taxes that he has paid into the system since 1966 in benefits, he will use up all of his premium payments in benefits, and he will still require an annual subsidy of \$2,306 a year from his children and his grandchildren. And if it is a female, a woman retiring today at age 65, becoming eligible, she will require \$2,694 a year from her children and grandchildren. So the generational effects have not been changed by this bill.

The objection is made that we are using up a surplus; we are creating a surplus. I would say to that, as others have said, first, it is important to have a surplus; second, we are doing it in the HI trust fund. We have enough there to keep the system going until 1994. In SMI, the same. OASDI, I guess we go to 20, 40.

Objection is made that we need long-term care. I mentioned earlier the kind of long-term care that we have here. At this point I want to say a word or two, particularly to my Republican colleagues—Democratic and Republican colleagues both—that the House of Representatives, which is predominantly Democratic, last year, 1988, a Presidential election year where they are all up, had the nerve or the guts to say no to Claude Pepper and his long-term care bill. Why? Because they did not like Claude Pepper? No, they revered him. There is not anybody in America who would question Claude Pepper's commitment to the long-term care needs of the elderly. No, no. They said no to that bill because they felt when we do long-term care, we needed to do it the right way. They created the National Bipartisan Commission on Comprehensive Health Care to do it.

My colleague from Arizona has claimed that we do not do long-term care because of catastrophic, because it costs too much. I just told you it is \$48 a year, and if that is a bar to doing long-term care, I do not really understand it.

The argument has been made that to retain benefits in the McCain-Hatch amendment still makes this a very attractive package.

I ask unanimous consent at this point, Mr. President, to have printed in the RECORD a letter dated June 5, 1989, from the Secretary of HHS, which says that they have evaluated the retained benefits under the McCain-Hatch amendment. They find out that the value or the cost of the benefits that are retained is \$65 per year, while the catastrophic premium to pay for it is only \$48 a year. I ask unanimous consent that that be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH
AND HUMAN SERVICES,
Washington, DC, June 5, 1989.

Hon. LLOYD BENTSEN,
Chairman, Committee on Finance,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to state our views on an amendment which we understand will be offered to H.R. 2072, a bill "Making dire emergency supplemental appropriations and transfers, urgent supplementals, and correcting enrollment errors for the fiscal year ending September 30, 1989, and for other purposes." The amendment would delay the effective dates of the supplemental Medicare premium and additional benefits under part B of the Medicare program (with the exception of the spousal impoverishment benefit) enacted by the Medicare Catastrophic Coverage Act of 1988 (MCCA).

In summary, we strongly oppose adoption of the amendment. The new catastrophic benefits (including related Medicaid benefits) are important and needed. In addition, the amendment would create a financing imbalance. Finally, any proposed changes should be carefully examined in congressional and other public forums.

The President is committed to the continuing implementation of the important and needed catastrophic health insurance benefits under Medicare. The legislative process which gave rise to the current law was thorough and deliberate, and allowed ample opportunity for all those concerned, including Members of Congress, the Reagan Administration, and beneficiary groups, to participate in the process.

The financing of the catastrophic hospitalization benefits (which would continue under the bill) would not be actuarially sound. The amendment proposes to finance the Medicare part A catastrophic benefits by retaining the flat Medicare part B catastrophic premium. However, the annual actuarial value of the part A catastrophic benefits, for example, is \$65 in 1989, while the flat Medicare part B catastrophic premium is only \$48 (\$4 per month).

The Administration is strongly opposed to any delay in implementing much-needed improvements in the Medicaid program en-

acted by MCCA, including the required Medicaid buy-in of premiums and cost sharing for indigent Medicare beneficiaries and Medicaid coverage of pregnant women and infants with incomes below the federal poverty line.

Finally, we would also point out that, while the Administration opposes any changes in current law at this time, we believe that any proposed modifications should proceed through the normal legislative process, which requires careful and deliberate consideration of any changes.

In light of these considerations, we believe that this amendment is not in the best interests of Medicare beneficiaries. We therefore recommend that the amendment not be adopted.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

LOUIS W. SULLIVAN, M.D.,

Secretary.

Mr. DURENBERGER. Others have described the other benefits that have been dropped from the catastrophic bill by the McCain-Hatch amendment, the drug benefits. A lot of people are paying out of pocket for kidney dialysis, the respite care benefits, Medicaid buy-in of low-income beneficiaries.

My colleague from Utah, Senator HATCH, says what we really need is a delay to figure out what is wrong with catastrophic. I hope during the course of these remarks that I have pointed out some of the things that are wrong with the debate over the catastrophic. First, the tax-exempt sales plan; second, the Medigap insurers; third, asking people to pay for what they get. That is a problem in America today, to ask people to pay for what they get themselves. The fourth problem is that we are asking a few people to pay more, so that all can have in some way—I want to say to my colleagues, that is the nature of insurance; the healthy pay for the sick, and the young pay for the old.

I think one of the biggest problems we had with this bill is that we did not go out and sell catastrophic with old movie actors and scared folks first, and then sold them a policy they did not need. Then we got a policy we need, and I wonder, perhaps, about the quality of the sales pitch that we have been making for it.

I also alluded to the fact that part of the problem is us. How much do we know about catastrophic? I want to say to my colleagues, this is something that has bothered me for a long time. Every one of us have gone to the town meetings, but how many of us knew when we were at those town meetings what we knew today about what is in this bill? Those on this floor who have said, "I have been able to convince my constituents on this bill," are the ones who tried to convince their constituents.

Mr. President, I am going to conclude in just a minute. I think the proposers of this unanimous consent are

getting a little antsy. I want to conclude with a part of this proposal that hurts the most, as one who has been involved with it. I think it was yesterday that my colleague from the State of Washington, Senator GORTON, said, "We are dealing with an amendment that does not repeal; it only postpones." I think the Senator from Florida said about the same thing a little while ago. The Senator from Washington said, "A wiser Finance Committee is going to report a better bill."

As somebody who has been there for 10 years—and others have been there longer, and they can either confirm or deny this—I think the Finance Committee received a lot of wisdom here during the last 48 hours. If the McCain-Hatch amendment is agreed to, I think we are going to get wisdom real quick, and there is no way you are going to get this catastrophic bill back for the seniors and the disabled people in this country out of that Finance Committee. The only way to guarantee it is coming back is to send it in with the majority leader's instructions on it.

Finally, let me tell you what hurts the most. We are talking about 32 million Americans who have health insurance, and if I have not said anything else in the last 20 minutes, I hope I have described how comprehensive that health insurance is. We ought to be proud in this country of the fact that, finally, we have treated our elders appropriately, that all 32 million of them have health insurance; but 37 million Americans do not. In the Parade magazine a week ago Sunday there is a picture of Eric Beatty, age 8, weighed 1½ pounds when he was born, and it took \$200,000 and 4½ months of hospital care to keep him alive. Before you try to vote against the majority leader's amendment, I ask you to remember there are 37 million Americans like this who have no access to hospitals and doctors the way the 32 million Americans who have Medicare do.

GEORGE MITCHELL deserves our support here today. No one learned more, worked harder, worked longer, worked more effectively during the 2-year history of this bill than he did.

When GEORGE MITCHELL, the chairman of the Medicare Subcommittee, now the great majority leader, suggests to the rest of us that after all of that effort we ought not repeal this bill, but we ought to send it back to the Finance Committee, identifying the areas that the Finance Committee can deal with, I hope that my colleagues who did not put all of the effort in that Senator MITCHELL put into getting that bill put together 2 years ago will listen to him.

I think it can be done in a reasonable time. I just hope that we will have the courage to do it.

Thank you, Mr. President.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, for the information of Senators, I am about to propound a unanimous consent request covering the disposition of the pending matters this evening. This follows consultation with the distinguished Senator from Arizona, the author of the underlying amendment, as well as the distinguished Republican leader, the chairman of the Finance Committee and the chairman of the Appropriations Committee.

I ask all Senators who have an interest in the disposition of this matter to pay careful attention because I am now going to propound a request which I hope will result in the disposition of this matter this evening.

Mr. President, I ask unanimous consent that a vote occur on a McCain motion to table the Mitchell-Dole amendment at 7:40 p.m. this evening and that the remaining time be allocated as follows, and in the order stated: Senator GRASSLEY be recognized for 10 minutes, Senator MACK for 10 minutes, Senator McCAIN for 10 minutes, and Senator BENTSEN for 5 minutes, following which Senator McCAIN be recognized to make a motion to table the Mitchell-Dole amendment.

I further ask unanimous consent that if the motion to table the Mitchell-Dole amendment fails, the Senate proceed immediately without any intervening motion or debate to vote on the Mitchell-Dole amendment to be followed immediately thereafter without any intervening motion or debate by a vote on the underlying McCain amendment as then amended by the Mitchell-Dole amendment, and that immediately following the disposition of the McCain amendment as then amended by the Mitchell-Dole amendment, Senator BYRD then be recognized to offer a series of Byrd-Hatfield technical amendments en bloc that will be disposed of without any intervening action or debate and that the disposition of the technical amendments be followed by a vote on final passage of the supplemental appropriations bill.

If the McCain motion to table the Mitchell-Dole amendment carries, or if the Mitchell-Dole amendment is otherwise defeated, I further ask unanimous consent that Senator BENTSEN then be recognized to make a point of order that the McCain amendment violates the Budget Act and that Senator McCAIN then be recognized to move to waive the Budget Act on which motion there then be 20 minutes debate equally divided between Senators McCAIN and BENTSEN with an additional 20 minutes reserved for Senator BYRD. If the motion to waive is defeated and the amendment is

ruled out of order, I ask that the Senate proceed to conclude the remainder of the bill under the provisions that I have listed above.

If the McCain motion to waive the Budget Act is adopted, I ask unanimous consent that the Senate proceed to vote immediately on the McCain amendment to be followed by the consideration and disposition of the technical amendments and final passage of H.R. 2072 as listed above.

THE PRESIDING OFFICER. Is there objection to the unanimous consent agreement propounded by the majority leader?

Mr. CHAFEE. Mr. President, could I ask one question if I might?

THE PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. None of those votes necessarily have to be rollcalls except presumably the one on the waiver of the point of order on the waiver of the Budget Act. But they easily could be voice votes.

Mr. MITCHELL. That is correct, except I would add to the Senator from Rhode Island the first vote on the motion to table the Mitchell-Dole amendment by Senator McCain would be a rollcall vote and if it occurs the motion to waive the Budget Act would be a rollcall vote. It is not my present intention to seek a rollcall vote on any of the others that might occur with the exception of final passage in the event someone requests a rollcall vote on final passage.

Mr. CHAFEE. Perhaps the majority leader's good influence could be used to encourage to have voice votes.

Mr. MITCHELL. I will encourage that with whatever influence I have.

Mr. CHAFEE. I thank the majority leader.

THE PRESIDING OFFICER. Hearing no objection to the unanimous consent agreement propounded by the majority leader, the unanimous-consent agreement as propounded is agreed to.

Without objection, it is so ordered.

The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, so far in this debate I have argued that, if we are going to truly represent the people who send us here, and not just act as trustees for them, then we owe it to them to respond to their very strenuous criticism of this program.

One of the things many of them are telling us is that they do not like these benefits. Many of those who do not like the benefits say that they would be willing to pay more if the benefits were more to their liking.

On the other side of the issue, Senators have argued with eloquence that the benefits provided by the bill are very much worth the cost to the beneficiaries.

Now, remembering that the McCain bill would allow some of the benefits

to go into effect, and would only postpone others, and not repeal as we have been led to believe I would like to review some of those benefits that we would be postponing with Senator McCain's legislation.

And, Mr. President, I would like to point out that I have not taken the position in this discussion that the benefits provided by their Medicare Catastrophic Loss Protection Act are not good benefits.

But in saying that I do not mean to suggest that it is not possible to have reservations about these benefits.

LIMITATION ON OUT-OF-POCKET EXPENSES FOR PART B

Let us take first the limitation on out-of-pocket expenses. One of the most important provisions of the program would limit the out-of-pocket expenses of Medicare beneficiaries to \$1,370 in 1990.

However, you have to consider what expenses count toward reaching that cap of \$1,370.

In a very real sense I think it is probably true that the Senator from Minnesota said that if he made any one point clear in this debate, he wanted to make clear how comprehensive the coverage was of this program. On the other hand, I wanted to make very clear to my colleagues how many hoops you have to jump through to benefit from this very comprehensive package.

So, one of these hoops is getting to that \$1,370 cap.

The answer is that the \$75 deductible for part B, the part B blood deductible, and the 20-percent coinsurance for all Medicare-approved charges are what count toward the cap.

Just considering the coinsurance, which would make the major contribution toward the cap, it is the case that an individual would have to incur—now listen to this—somewhere around \$6,500 in Medicare-approved charges before meeting the cap. As I understand it, about 7 percent of beneficiaries could be expected to reach the cap in any given year.

What expenses do not count toward the cap? The expenses that do not count are:

The hospital deductible per year, which is \$560 a year; the basic part B monthly premium, which is \$31.90 a month, and any charges not approved by Medicare and that would be everything that is above and beyond what an assignment would call for; the basic, flat add-on premium of \$4 per month in 1989, increasing to \$10.20 in 1993; the supplemental premium of \$22.50 for every \$150 in income tax paid in 1989, and that is going to increase to \$42 for every \$150 of income tax liability; and all prescription drug costs: prescription drug premium additions starting in 1991; the deductible of \$550 in 1990, increasing via indexation;

and prescription drug copayment of 50 percent in 1990, and that is slipping to 20 percent in 1993.

So it would not be quite correct to say that once an individual had paid \$1,370 in out-of-pocket charges that they would not have to pay anything else for nonhospital medical care expenses. And we are led to believe that once you get to that \$1,370, that is everything.

RESPIRE CARE BENEFIT

The program also provides a respite care benefit of up to 80 hours per year or about 2 work weeks. Respite care is a useful benefit, admittedly. We hear quite a bit about the need for respite care from those who are taking care of functionally dependent spouses or relatives. That can be terribly demanding, admittedly. I do not think anyone who knows anything about what that can mean would argue that a respite benefit would not be helpful.

But an individual would not become eligible for the respite care benefit until they had reached the cap for Medicare part B expenses—\$1,370 in 1990—or until they had reached the catastrophic care drug deductible of \$600 in 1991.

That is a pretty expensive hoop to jump through to qualify for this catastrophic benefit.

Furthermore, the beneficiary receiving the in-home care provided under this benefit would have to pay 20 percent coinsurance for the benefit.

And, even though 80 hours per year is useful, it would not do to exaggerate how useful it is to someone whose need for such a service probably greatly exceeds 80 hours.

PRESCRIPTION DRUG BENEFIT

The prescription drug benefit when fully phased-in will be helpful. One of the assertions that has been an article of faith in the policy community interested in the needs of older people has been that coverage of prescription drugs is one of the most serious unmet health needs of older citizens.

It seems to me, therefore, that the Senators who crafted this provision of the legislation were responding to a perceived need, at least in the policy community.

But let us look at the benefit, another critical hoop to jump through to qualify.

In the first place, the benefit does not get fully phased in until 1993. In 1990, the program would cover home intravenous drugs and intravenous drugs furnished after the first year following a transplant operation.

I am not sure how many older Medicare beneficiaries would benefit from intravenous drugs or immunosuppressive drugs, but unless someone tells me otherwise, I am going to assume that it is not very many who benefit from that.

Coverage for all outpatient drugs does not begin until 1991. In that year, the deductible would be \$600, and the copayment would be 50 percent. In 1992 it would be 40 percent. It would not go to 20 percent until 1993. The deductible increases also to \$652 in 1992. After 1992, the Secretary sets the deductible so that 16.8 percent of the Medicare eligibles benefit from the program.

Now, I happen to be one who thinks that a prescription drug benefit can be useful. But beneficiaries are going to have to wait for some time for this benefit—and that is another hoop to jump through—and on the way to its complete implementation will be paying heavily for it.

For those who already had a private policy covering prescription drugs, it probably does not seem like such a good deal.

MAMMOGRAPHY SCREENING

The mammography screening provision would provide mammography screening once every 2 years for people eligible for Medicare. Medicare would pay 80 percent of a maximum of \$50.

I have no problem with this benefit, Mr. President. We certainly need to give more attention to preventive health measures for older people and this would be a step in that direction.

The only question I would raise is whether this benefit is major enough in the context of the current discontent with the program to tip a skeptical Medicare beneficiary toward support of the program.

Mr. President, what I have been arguing here is that, in my view, we come here as representatives of the citizens, not as their trustees. I have been arguing that legislating is a continuing process. I have been arguing that an important part of legislating well is carrying affected parties along with us as much as possible, not just ramming something down their throats they tell us they do not want.

What I have been arguing with respect to the benefits in this bill is that a good case can be made for them, but that the ones we would be postponing are not so unambiguously good as to justify the charge that some Senators are making—to the effect that those who are complaining do not know what they are talking about.

This general point about the value of the benefits to beneficiaries has to be taken also in the context of what they will cost the beneficiaries, a point that has been well stated by my colleague from Arizona, Senator McCain.

And so that is why I support this measure, Mr. President.

The PRESIDING OFFICER (Mr. Dixon). Under the previous order, the Senator from Florida is recognized for 10 minutes.

Mr. MACK. Thank you, Mr. President.

Several Senators earlier today talked about their qualifications to speak on this particular issue. Tonight I address this issue not as a member of the Finance Committee nor a member of one of the health subcommittees. But I have served 7 years on a hospital board, with 3 of those 7 years as chairman of the hospital board. And during the 6 years in which I served in the other body, I represented the oldest district in the Nation; that is, the average age of the folks that lived along the southwest coast of Florida was higher than any other area in the country. And I am saying to you, I think it was necessary for me to be fairly sensitive to the issues that they raised.

I am now representing a State of some 13 million people, roughly 20 percent being 65 and older, over 2½ million retirees.

Just recently, I was made aware of a meeting of the presidents of the local chapters in the State of Florida of AARP; 149 of the 221 presidents were at that meeting. The consensus there was that we should delay the entire bill until such a time that the financing mechanism of the Catastrophic Coverage Act of 1988 can be reviewed and be made less discriminatory. The consensus of the chapter presidents was that the funding mechanism is discriminatory, that it is a tax on a tax, and that it tends to set a precedent for a user tax which is unacceptable.

That is really not surprising to me. In the 6 years in which I was in the House, I held a series of town meetings. What I heard over and over and over again is that the retirees, the elderly of this Nation, did not want catastrophic health insurance.

And let me make a point: What I heard from them was that, "We basically have handled this problem on our own. We took our own initiative to go out and to find insurance to protect us from these concerns." The message basically was that the wealthiest 10 percent of the retirees said, "We don't need additional coverage. We have sufficient assets and sufficient income to take care of this problem."

The next 70 percent went out and purchased some form of Medigap insurance. Certainly, we can debate about the quality of that insurance. But they took their own initiative to go out into the private sector and to protect themselves against these catastrophic losses. The next 10 percent had no coverage. The lowest 10 percent had some form of Medicaid insurance.

So what did the Congress do? Designed a plan mandating that 100 percent of the retirees must participate in a plan to solve the problems for about 10 percent.

I think the plan was wrong. It was ill-conceived. The message was clear

again in town meetings that I have held so far this year.

At one of these meetings, I asked the audience of approximately 100 people how many came out to the meeting because of the catastrophic health care bill. Seventy-five percent said they came because of that reason, and I gave them the opportunity to vote on three ideas. First, outright repeal; second, modification; and third, leave the act in place. No one voted for leaving the matter as it stood, and by a margin of about 2 to 1 said repeal the law. The message at the town meetings was that they—the retirees—did not support the catastrophic care bill. And the more people have learned about the bill, the more they dislike it. In fact, when they learned there were no benefits with respect to long-term health care they lost interest in the bill completely.

In the summer of 1987, I held a 1½-day conference on health care in Tampa, FL. We had panelists from all over the State and Representative Claude Pepper was the keynote speaker. One of the panels we set up was on Ethics and Biomedical Research. The idea was to develop a debate about the ethical questions raised as our technology provides additional alternatives of treatment, that is, gene splicing and how it should be used, organ transplants, and so forth. The panel spent 80 percent of its time discussing what was, in their opinion, this key ethical question—how do you allocate the very limited resources we have available within the health care system itself? The point I am making is this: once you have made the decision that you are going to spend \$35-\$40 billion over the next 5 years for catastrophic health insurance, it makes it very difficult to find resources for other health care needs—whether that is for long-term care or for assistance to other groups who have no health insurance.

So for all of these reasons I am supporting the proposal by the Senator from Arizona and compliment him for bringing this to the floor so that we could have this debate.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from California is recognized.

Mr. WILSON. Mr. President, I ask unanimous consent for 2 minutes in addition to what has been allocated under the previous order. I was not on the floor at the time the unanimous-consent agreement was agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, like many of my colleagues, perhaps most, I dare say, I have been hearing from thousands of senior citizens in my State who have written and who have called to complain, expressing their

concern about the law that we passed last June. With the best of good intentions, we passed that law. Indeed, I am told that AARP has reported in its own newsletter to its membership that the organization has received in excess of 55,000 letters protesting the action that we took with good intentions.

Mr. President, what is before us now, what is pending is a sense of the Senate that says that the Finance Committee should undertake to revisit the many thorny issues that have occasioned these complaints from those who will have to pay a very onerous surtax, and that those hearings should begin by September.

Mr. President, it seems to me that what we really ought to do is pass the McCain amendment. The McCain amendment does permit the significant catastrophic illness provisions that were adopted last year to go forward because those are adequately funded by the increase in the premium. The surtax is the thorny issue, in terms of financing. And beyond that many who complain of that complain because we are imposing mandatory participation on them. The new benefits which we provided, which in many cases are not related to or arising from catastrophic illness, are things under which their coverage is duplicated by this legislation. It is duplicating what they are already paying for, in terms of better benefits in existing coverage that they have arranged for privately, through so-called Medigap insurance.

Mr. President, it would be better, it seems to me, if we did not again act in haste, if we, instead, passed the McCain amendment, which will permit the important catastrophic provisions to go into effect and, instead of simply temporizing, allow and in fact require a thorough reexamination by the Finance Committee. That is what we should do.

For that reason I will oppose the sense of the Senate and urge my colleagues to do so, so that we may vote and enact the McCain amendment, a wise provision, and not temporize.

This amendment delays—for 1 year—certain provisions of the Medicare Catastrophic Coverage Act of 1988. In short, it provides Congress with the opportunity to step back and reconsider, through public hearings, the Catastrophic Coverage Act to determine once and for all if the measure is consistent with the needs, circumstances and priorities of our Nation's senior citizens.

When Congress passed the Catastrophic Coverage Act, it marked, as one writer called it, the "greatest change in Medicare since Medicare." However, among seniors, who were intended by Congress to be the group who would benefit most from the provisions of the act, there is major unrest about the measure's financing and other provisions.

Mr. President, like many of my colleagues, I have been hearing from thousands of senior citizens in my State who have written and called to express their concerns about the law we passed last June. Indeed AARP, I am told, reported in its newsletter to its members, that the organization has received 55,000 letters protesting the act as unfair and asking for revision or repeal. It is increasingly clear that the measure has many serious shortcomings, including a funding mechanism that burdens elder Americans. All seniors will pay higher part B premiums and roughly 40 percent of beneficiaries will pay an income-related surtax. For some of our senior citizens, their tax liability in 1989 will rise as much as \$1,600 per couple. For middle-income seniors on fixed incomes in particular, the tax burden posed by the surtax is significant.

However, seniors' concerns extend beyond the Act's financing mechanism. A recent nationwide Wirthlin Group poll, for example, found that the elderly have serious concerns about the very nature of the Act. This poll corroborates what I hear from older Californians.

Beyond the Act's financing, seniors consider the Catastrophic Coverage Act duplicative of insurance coverage many seniors already have through the private sector. Many seniors have discovered that the new Medicare long-term hospitalization benefit duplicates their own private coverage, yet they are forced to pay a supplemental premium. Indeed, roughly 70 percent of those who will finance the Act are covered by health plans or supplements providing them equal or better benefits than the new law.

Finally, many seniors believe that the Medicare Catastrophic Coverage Act simply does not live up to its name. While the measure offers protection against the expenses of long hospital stays, it fails to address the true medical catastrophe facing many of our Nation's seniors: the expense of long-term nursing home care, which costs an average of \$25,000 a year, and extended health care provided at home.

As I have noted before, I became increasingly skeptical and unenthusiastic about the Medicare Catastrophic Coverage Act as it made its way through Congress. As we are all well aware, the House and the Senate each debated its own version of a catastrophic health-care bill, and the bills varied significantly. The Senate wrote a bill which gave Medicare beneficiaries the choice to include catastrophic coverage as part of their health-care plan. When the bill left the Senate for House approval, the expanded coverage was optional for all senior citizens. The House insisted instead on making catastrophic coverage mandatory to all seniors.

Moreover, both the House and the Senate added new benefits to the original catastrophic coverage proposal—benefits not necessarily related to or arising from catastrophic illness, and—benefits which of course increased the cost of the program. These additions required that the flat premium approach to financing be supplemented by a surtax tied to an individual's tax liability.

Thus, the final version of the Medicare Catastrophic Coverage Act not only mandated participation, but it required a considerably greater financial contribution by many older Americans to finance the program's expanded—and, in many cases, duplicative and unwanted—benefits. Not surprisingly, these older Americans view the change wrought by congressional good intentions as an unwanted and unfair burden.

Despite my concern with mandatory participation and with additional costly noncatastrophic benefits, I voted for the final version of the bill because of the need to provide protection for the many seniors with inadequate catastrophic insurance coverage and because of my belief that the alternative would have been no bill at all. But I noted at the time of passage, however, my strong reservations that Congress may be compelled to revisit the issue in order to remedy any unintended burden which results from our intended benefit.

Mr. President, I think that the time has come to revisit the issue of catastrophic coverage. The McCain amendment will allow just that. Specifically, the amendment offered by Senators McCain and Hatch will delay until 1990, the implementation of the supplemental income tax and some of the new law's benefits. Further, it calls for Congress to hold public hearings and allow seniors to express their concerns about the law. The long-term hospitalization, skilled nursing and spousal impoverishment protection benefits would, however, go into effect as planned. Medicare participants would pay for this coverage through the planned increase in the part B premium.

This amendment provides Congress with an opportunity to reconsider the Catastrophic Coverage Act and to explore options for increasing the fairness of this new Medicare expansion. I urge my colleagues to join me in supporting this needed reevaluation and in supporting this amendment.

The PRESIDING OFFICER. Under the previous order the Senator from Arizona is recognized for 10 minutes.

Mr. McCain. Mr. President, I would like to begin by thanking the people who have been involved in this issue for a very long time. If we may pass this amendment of mine today, it will not be because of my efforts but be-

cause of theirs. Admiral Kilcline of the Retired Officers Association, Steve Morrissey of the National Association of Retired Federal Employees, and those other members of the 44 organizations that represent 19 million Americans—not rich ones, Mr. President, but 19 million middle-income and low-income Americans, people such as: Judy Park, National Association of Retired Federal Employees; Col. George F. Hennrikus, Jr., USAF, retired, and Paul Arcari, the Retired Officers Association; Robert Beers, American Foreign Service Association; Joe Sella, National Post Office Mail Handlers Union; Bob McLean, National Association of Postal Supervisors; Mr. Pat Nilan, American Postal Workers Union; Ed Murphy, National Association of Governmental Employees; George Gould, National Association of Letter Carriers; Ted Valliere, National Association of Postmasters of the United States; Julia Akins, International Federation of Professional and Technical Engineers; Glenn Plunkett, American Foundation for the Blind; Louis Levy, president, Florida Seniors for Medicare Equity, Inc.; Laurence Gaboury, Marine Corps Reserve Officers Association; Mary Wurzel, president, EXPOSE; Ken Parmelee, Rural Letter Carriers Association; Don Hess, U.S. Army Warrant Officers Association; Charles Partridge, National Association for Uniformed Services; Benjamin Catlin, Air Force Association; C.A. Mack McKinney, Non-Commissioned Officers Association; Carolyn Brookes, National League of Postmasters; Ms. Susan Shaw, National Treasury Employees Union;

Robert Forsyth, Marine Corps League; Capt. Irene Wolensky, USNR, retired, Naval Reserve Association; Ted Ruhig, Council of Sacramento Senior Organizations; Lt. Gen. Max Bralliar, USAF, retired, Association of Military Surgeons of the United States; Fred Nesbitt, International Association of Fire Fighters; Drew Mendelson, California State Employees Association; Gina McBride, president, United Seniors of America; Henry Daniels, National Association for Public Health Policy; Rudy Clark, Air Force Sergeants Association; C.J. Jud Lively, Reserve Officers Association; John Adams, the Retired Enlisted Association; Richard Castor, U.S. Coast Guard Chief Petty Officers Association; Gloria Blumenthal, Seniors Opposing the Surtax; Ruth Gilmer, chairman, Heritage Harbour Homeowners Association; Curt Clinkscales, National Alliance of Senior Citizens; Richard Rowland, executive director, Pennsylvania Association of School Retirees; Sydney Hickey, National Military Family Association; and Jerry Barkie, Coalition for Repeal/Amendment of the Medicare Catastrophic Coverage Act.

All these who have been told during the course of this debate that they are rich and selfish and greedy, Mr. President. They are 19 million Americans who think they are being done an injustice. And, if we do not pass this amendment tonight, that injustice will be done. I am very grateful for their efforts on behalf of passage of this amendment.

I also would like to thank my capable staff, Gwendolyn van Paasschen and Dave McIntyre; Nancy Taylor, Nancy Wicks, and Win Froelich of Senator Hatch's office; Susan Eberly of Senator Gorton's office; Jess Sanders of the Senate Budget Committee; and all of my colleagues who have helped me on this amendment.

Mr. President, it is interesting to note that so many of my colleagues who have spoken here today are hiding behind Dr. Otis Bowen and the original Reagan administration proposal, of which I was an original cosponsor. Mr. President, any relationship between Dr. Bowen's original proposal and what we finally enacted into law is clearly a matter of coincidence. This act differs greatly in philosophy, scope, and cost from that original proposal.

I am surprised that so many of my colleagues insist that my amendment repeals the catastrophic benefits that the act embodies. I was tempted to bring a dictionary for my final statement. Repeal and delay. Repeal and delay. Nowhere in my amendment, Mr. President, will you find the word repeal. But you will find delay of the nonessential aspects of this bill, and retain the important aspects. The delay would permit the Finance Committee adequate time to review these benefits before people are required to pay for them.

Mr. President, before we consider my amendment, I plan to seek modifying language that would delay the Medicaid provisions contained in the Medicare Catastrophic Coverage Act. The programs would not be paid for by the seniors. The first provision relates to the pregnant women and infants program; the second relates to the Medicaid buy-in provision of the act. These provisions, in my opinion should not be delayed. But, all else should be delayed except for the spousal impoverishment, skilled nursing home, and long-term hospitalization benefits.

Mr. President, I also want to emphasize again, I am not telling the Finance Committee what to do. I am telling the Finance Committee: Use your collective knowledge, wisdom, and all of the enormous abilities that you have in addressing this issue and give us something that the American seniors want.

Clearly they did not understand what Congress was passing when it adopted the act. They understand

now, after they've reviewed the act, and visited their insurance agents and accountants.

Everybody is talking about taking care of the seniors. Why do we not walk up to them and ask them what they want? What they want, Mr. President, is long-term care. And that is what they thought they were getting with this bill. But they are not. They are getting a lot of nice things, but by leaving this act unchanged we are precluding, Mr. President, the ability of seniors in this country to get what they really need.

Mr. President, I resent the misleading remarks by those who are opposing my amendment. And, I would say again—it delays, it is not repeal. Our seniors have spoken on this issue, Mr. President. There is a firestorm out there.

Since passage of this act, I have received 20,000 letters in favor of delaying this legislation and reviewing it, and 10 in favor of the act. I think it is very evident that national polls reflect the same thing. And to impugn these senior citizens as being rich and greedy Americans, I think, is almost criminal and shows an incredible lack of communication and understanding of what seniors in this country want and what they are doing. I think that they believe we ought to be spending their precious dollars for what they think is their greatest need, and that is long-term care protection.

Under this act, in 1993, the benefits delayed under my amendment would cost \$8 billion. Mr. President, \$8 billion would go a long way toward providing something meaningful to our Nation's seniors in the area of long-term care protection. I would leave those decisions up to the members of the Finance Committee.

We need to do something in the area of long-term care. We all know it costs between \$25,000 and \$35,000 per year for nursing home care. And, according to a May 1988 edition of Consumer Reports for a person age 65 a long-term-care insurance policy costs \$1,200 a year. Whereas, a good policy costs at best \$3,500 for someone over the age of 75. Obviously, this cost is out of reach for most elderly Americans. What's more, the statistics indicate that if you did not have this insurance you're in real trouble. According to the House Aging Committee, 43 percent of single Americans entering a nursing home exhaust their assets and income before 13 weeks' time has passed.

Forty-three percent, Mr. President; \$25,000 to \$35,000 a year for the care, Mr. President. And, \$1,200 to \$3,500 a year for insurance, Mr. President.

These are startling figures, Mr. President. It is no wonder long-term care assistance is where the elderly believe they need our help. I just do not see how we can do anything meaningful, if

we leave this act in effect. Neither do the seniors. That's what is at the root of their frustration.

Mr. President, they are very upset about what we have offered in the way of benefits. My good friend from Florida referred to the AARP in his statement. I would like to tell you that at a recent meeting in Arizona of the AARP, a movie produced by the AARP was shown after which there was a long discussion presented by AARP about the act, and its benefits following this presentation, the chapter president called for a show of hands of those who supported the act. Only two out of 200 raised their hands. Mr. President, only two.

Mr. President, the Mitchell amendment is a smokescreen. It is a sense-of-the-Senate resolution. We passed a sense-of-the-Senate resolution about a month ago, and nothing happened. We had one hearing in the Finance Committee. The subject of that hearing was whether there could be a reduction in premiums. The cost estimates, were all over the board.

Mr. President, we all know health programs cost more than originally estimated. And, besides that, we need to look at the entire act not just at the act's premiums. My amendment would do this.

Mr. President, I do not know what is going to happen on this vote. I have no idea because I do not know what the whip check is. I will say, however, Mr. President, I am not going to quit on this issue. I am not going to quit on the seniors in Arizona. I am not going to quit on those 44 organizations who represent 19 million elderly Americans.

Near the end of the Civil War, Mr. President, Mr. Lincoln found himself a general and his name was Grant. He was outside Richmond where he got delayed and ended up sustaining a lot of casualties. Some intrepid soul went up to General Grant and said, "How long are you going to stay?" He said, "I am going to stay if it takes all summer."

Mr. President, I am going to stay with this issue if it takes all summer. I yield back the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the Senator from Texas is recognized for 5 minutes.

Mr. BENTSEN. Mr. President, as I listened to this debate and I listened to those who opposed the Mitchell-Dole-Bentsen-Packwood amendment, they obviously have not faced up to the problem. They are ready to continue a majority of the benefits but they are not ready to pay for them. So what you are seeing is a real budget buster that is being proposed, one that will cost us \$400 million in 1989; \$2.8 billion in 1990.

So, on the one side, they talk about trying to close down this deficit. Then they came on the floor of the U.S.

Senate the first time we have a tough choice, and say: Let us go outside of the budget, let us go outside of the budget resolution, let us violate it, and at the same time we do that, let us deny benefits to those that would have benefits now under the catastrophic illness legislation. Let us deny benefits to some of the most needy.

I heard my friend from Arizona say they are nice benefits, but not absolutely necessary, some of them at least. Let us talk about the fact that we have in this legislation money for pregnant mothers to care for children up to the age of 1 when we have 40,000 deaths before the age of 1 in this country; when a child born in the District of Columbia to a minority has less chance of living to the age of 1 than someone born in Cuba; to talk about deferring benefits in the way of physician's payments; when the Medigap policies try to fill it, and the testimony before our committee was that the cap on some of those policies was as high as \$50,000 on the physician payments, where under the legislation of catastrophic illness that cap is \$1,370.

The next thing you do with a deferral of these is to cause chaos in the Medigap industry. Insofar as those insurance companies, how did they design the policy? Do they design a policy for 1-year deferral and then they are going to have the full policy back again? Or do they give up and say, "Let's forget that market for a while and let's not try to serve it"? And then what happens to that person who is concerned about catastrophic illness?

What they are talking about is sacrificing \$5 billion in revenue. They are talking about denying respite care to someone who has been working caring for an aged mother, taking care of her at home and wants to have a little time off to see the doctor themselves. We provide for that, but he would defer that in his approach to this legislation.

Thirty-eight days of home health care in the legislation. They are talking about increasing this into a budget buster. We understand what we are faced with. We are saying that we will take a look at duplicate coverage. I think things have to be done there, and we will work on that. We believe that excess premiums are being collected beyond what was anticipated or forecast or that would provide a reasonable cushion. I as chairman of that committee will be working to try to roll back that premium because I do not believe that additional cushion should be used to help finance this budget and done off the backs of elderly citizens.

We talked about having enough money collected by the premiums to provide the reserves to take care of all of the claims that came in for benefici-

aries, and then in case there was a mistake, to add \$4.2 billion in the cushion. But what does the Joint Tax Committee show and the CBO? We are not collecting a 4.2 cushion but substantially more than that from \$9 billion to \$10 billion. Let us work on that one in the committee.

When we brought this bill through the Senate, we gave an option to people to decide they can take part B and, in addition, the catastrophic illness provision, put that package together, we said it is optional, take it or not take it but because 95 percent of the people took part B and understood that, we believe when you have that package put together that a good 95 percent of the people would take this. Because even at the cap, we are talking about approximately one-third of that benefit being subsidized by general revenue.

Give the Finance Committee the chance to face this. We have a substantial number of our people facing re-election this year. They are sensitive to the needs and the concerns. We do not have our feet set in concrete. We have them set in the starting blocks, and we have committed to you that we will have that legislation out of that committee before September headed for the floor of the U.S. Senate.

This is a complex issue, a difficult issue to handle. Let us not legislate it on the floor of the U.S. Senate. Give the Finance Committee a chance to work your will within that committee and listen to these varied groups as to what they think should be done and how that job should be done. We will carry out the task.

So I urge my colleagues strongly when the motion is made against this amendment to vote for the Mitchell-Dole-Bentsen-Packwood amendment and give that committee a chance to exercise its will Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. KERREY). Under the previous order, the Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I make a motion to table the Mitchell amendment and request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order there is a time certain for the vote at 7:40 p.m.

Mr. BAUCUS. Mr. President, I would like to take a moment to comment on the amendment offered by my colleague from Arizona, Senator McCAIN, that would delay the implementation of a majority of the benefits of the Medicare Catastrophic Coverage Act of 1988.

I understand the feelings that underlie Senator McCAIN's amendment. I hear the same feelings expressed by some seniors every time I go home to Montana. These concerns need to be answered.

But the Senator's approach does not answer their concerns in a fiscally responsible manner. Delay answers little; it defers important benefits; it does not help the majority of our Nation's senior citizens.

Mr. President, I would like to explain some of the concerns I have with the Senator's amendment.

It is important for us to remember that 59 percent of seniors do not pay the supplemental premium at all. For that majority, they are paying only \$4 a month for what by any standard are substantial and needed health benefits.

What else can you buy for \$4 a month? I ask that question only to highlight the fact that no insurance company sells comparable benefits for such a low price.

I am often asked when I am home why Congress passed this legislation in such a hurry. But the fact is, the initial proposal by President Reagan was made more than a year before we passed the final legislation.

No question about it, this is a complex and extremely important issue. But we spent a good deal of time on it. In fact, before that first legislative proposal was introduced, Congress and the President had been considering different approaches to the issue for several years. I do not consider that to be short shrift.

Many of my colleagues are saying that the catastrophic insurance program will preclude the passage of long-term care benefits. On the contrary, this legislation is a first step toward comprehensive long-term care coverage.

Several of us in this body are members of the Bipartisan Health Commission which is studying ways to provide long-term care coverage and health care for the uninsured. Claude Pepper, whose passing we will be mourning for some time, was convinced that the Commission will be able to achieve those goals. Senator Pepper supported the benefits in the catastrophic program.

One-sixth of the budgeted money in the catastrophic legislation does support important long-term care benefits. I would not have supported the legislation if I had believed it would in any way jeopardize even more substantial long-term care benefits down the road.

I am bothered by other statements being made on the Senate floor as we consider this issue. Many of my colleagues are saying that "seniors aren't really benefiting from this bill."

I have talked to folks in Montana about deferring these benefits. The

Montana Council of Senior Citizens, the Montana AARP, the 11 Montana Area Agencies on Aging serving 65,000 Montanans, hospices—all oppose postponing implementation of benefits. Not all of these are embracing the current financing, but they believe the Finance Committee should be given the opportunity to reevaluate the financing, without decimating the program. They are afraid that they will never get the benefits back if they are taken away now.

For another important reason, I am convinced that Senator McCAIN's amendment is not the best answer for Montana's seniors. The underlying issue here is an emergency supplemental appropriations bill. Every hour we spend arguing about Medicare, veterans are being turned away from the hospitals that should be serving them. I strongly believe that we must get down to the real business at hand here: passing a bill to provide urgently needed funding for veterans, essential air service, firefighting costs and farmers' home loans, and other programs that are in serious danger until we complete action.

Mr. President, I support the majority leader's proposal allowing the Finance Committee to review the supplemental premium issue this summer. We should examine the premium. We should strengthen the provisions preventing duplicative coverage. And we should certainly consider making the program voluntary.

For many of Montana's seniors, the problem with the catastrophic illness program is that for those who have enough income to pay the supplemental premium, they have no choice in the matter. Or they have duplicative coverage. Those are legitimate concerns.

I have heard their concerns. In fact, I am now working on legislation that would make the program voluntary, much like the basic part B premium. Giving seniors a choice would improve the program considerably in that regard.

Mr. President, we do have some issues that we must address on the catastrophic illness program. But we must review that legislation carefully, in a calm and reasoned manner, and without taking away needed benefits from our Nation's seniors.

I urge my colleagues to join me in supporting the majority leader on his amendment.

Mr. HARKIN. Mr. President, the Mitchell amendment allows for limited options for dealing with the catastrophic financing problem. The amendment leaves no room for the consideration of important alternative financing options. Thus, I cannot support the Mitchell amendment.

I believe that the supplemental premium should be eliminated—and it can be eliminated without diminishing the

catastrophic benefits. I along with Senators LEVIN and METZENBAUM have introduced S. 1125, the Medicare Catastrophic Coverage Surtax Repeal Act.

As its name indicates, this bill eliminates the catastrophic surtax—or supplemental premium—entirely.

S. 1125 preserves all of the benefits of the Medicare Catastrophic Coverage Act.

The revenue from the supplemental premium is replaced by extending the existing 33-percent tax rate which was effectively created in the 1986 Tax Act by the phaseout of personal exemptions and the 15-percent rate to the highest income taxpayers. In 1986, an anomaly was created. A family of four with taxable income from \$78,350 to \$208,510 (and single filers with incomes between \$47,000 and \$109,050) in 1990 pay the extra 5 percent tax. But, those 600,000 highest earning taxpayers pay only 28 percent on their taxable income above those amounts. It is our view that these are the taxpayers, the single taxpayer with a taxable income of over \$109,000 or a joint filing taxpayer with over \$209,000 in taxable income, who are most capable of bearing the burden of catastrophic care for those in need.

Our legislation sets the maximum long-term capital gains tax rate at 28 percent. At the present time, those taxpayers in the existing 33 percent "bump" pay 33 percent on their long-term capital gains. So, for some taxpayers, there will be a tax reduction under this legislation.

This proposal is virtually revenue neutral over 5 years.

Revenue from the additional taxes raised under our measure would flow to the same trust accounts into which the supplemental premium would have gone. Any shortfall that might occur would be made up with general revenues and then would be repaid by the additional taxes raised in the following period from our bill as determined by the Treasury. From joint tax estimates, revenues in the out-years would more adequately meet program needs than the present supplemental premium.

Since the flat monthly premium would be preserved, the elderly would still be paying a substantial portion of the cost of the catastrophic program. The flat monthly premiums would cover about 40 percent of the program cost, higher than the 25 percent paid by the elderly under the Medicare part B program.

In the 1986 Tax Act, the very wealthy saw a reduction in the top tax break from 50 percent to 28 percent. That followed a reduction from 70 percent to 50 percent in the 1981 Tax Act.

The dramatic reduction in taxes in 1981 was a clear windfall for the very wealthy. The loss of revenue from the 1981 Act is one of the major reasons

for the huge increases in the budget deficits in the early 1980's.

In 1986, we saw a further reduction in the top bracket. In that case, there was a significant reduction in deductions, exclusions, and credits which allowed many of the wealthy to avoid paying the effective percentage of tax paid by many moderate income taxpayers. Some very high income taxpayers, with incomes of more than \$200,000 per year who had really worked at sheltering their income from income taxes, did see an increase in taxes because of the 1986 Tax Act. However, a considerable majority of very high income taxpayers actually saw a reduction in taxes. In 1986, as the bill passed, it was estimated that the average decrease in taxes for those making more than \$200,000 per year would, on average, see their taxes drop by more than \$50,000 per year.

I believe that the approach taken in S. 1125, the Medicare Catastrophic Coverage Surtax Repeal Act, is the approach that should be taken to replace the catastrophic premium.

And this bill has wide support among organizations representing both the elderly and retired workers. For instance, I have just received a letter, which I will put in the *RECORD*, from the National Committee to Preserve Social Security and Medicare endorsing my bill and urging Congress to adopt it as a permanent solution to the catastrophic financing problem.

But unfortunately, as I have said, the Mitchell amendment precludes the consideration of our proposal as even an option for changing the financing mechanism. Thus, I cannot support it.

I ask unanimous consent to have printed in the *RECORD* a letter from the National Committee to Preserve Social Security and Medicare.

There being no objection, the letter was ordered to be printed in the *RECORD*, as follows:

NATIONAL COMMITTEE TO PRESERVE
SOCIAL SECURITY AND MEDICARE,
Washington, DC, June 7, 1989.

HON. TOM HARKIN,
U.S. Senate, Washington, DC.

DEAR SENATOR HARKIN: The Senate is considering a Supplemental Appropriations amendment offered by Senator McCain which would delay for one year the supplemental premium and corresponding benefits provided by the Medicare Catastrophic Coverage Act of 1988. The National Committee to preserve Social Security and Medicare believes that the Senate, rather than pass a temporary solution, should act on a permanent solution along the lines of your legislation introduced yesterday to replace the discriminatory surtax with broad-based financing by extending the 33 percent income tax bracket.

Seniors are revolting against the catastrophic legislation and are demanding substantive changes. At this time, the second degree amendment offered by the Majority Leader is inadequate in our view because it fails to commit the Senate to amend the flawed financing. Unless the second degree

amendment is strengthened, the National Committee urges the Senate to adopt the McCain amendment.

In the next month, the National Committee will be mailing a Legislative Alert to its members urging them to write Congress in support of the Harkin-Levin Medicare Catastrophic Coverage Surtax Repeal bill in the Senate and the Bonior bill in the House. We are looking forward to permanent Congressional action later this year.

Sincerely,

MARTHA A. MCSTEEN,
President.

MR. BURNS. Mr. President, I am pleased to join my good friends, Senator McCain and Senator Hatch, as an original cosponsor of their amendment to delay for 1 year those provisions of the Medicare Catastrophic Coverage Act which have not already gone into effect.

I believe this is the most responsible and effective action we could take to address the concerns of thousands, if not millions, of senior citizens. I know that every Senator has received thousands of letters on this issue. I have received approximately 1,500 letters against the Catastrophic Act and only 4 for it.

Contrary to what many are saying in this town, the discontent among seniors runs deeper than their pocketbooks. Their concerns are varied and vast. The Wirthlin Group recently released the results of a nationwide poll of seniors which confirms this fact.

One of the most revealing statistics in this poll is that 52 percent of the seniors believe that they should share the burden of paying for health care coverage. However, of those who are familiar with the current law, 63 percent said the current benefits are not worth the costs. And more importantly, by a 65 to 19 percent margin, those surveyed would prefer a new long-term care program to the catastrophic coverage.

This amendment would allow the House and the Senate to take the time needed to revisit this issue, and provide seniors with the benefits they most need at a price that is most affordable to everyone. It is well known now, and I believe it was well known at the time this act passed, that the No. 1 concern of those over 65 is long-term nursing home and home health care. This amendment preserves the one aspect of the Catastrophic Act which addresses this need—the spousal impoverishment protection—and it allows us to go further.

I think that we can learn a lesson from the discussion held earlier on section 89. We are just now trying to deal with a provision that has been revised and delayed and tossed around by Congress for about 2 years. While we are trying to get our act together, the real people out there who are affected by this fiasco are spending money to deal with a requirement which they may or may not be asked

to comply with. They are dropping health insurance plans just in case, and they have told us loud and clear that section 89 is unworkable. They have been held hostage to our inability to act.

Let us not do that to our senior citizens. Let us act now to delay the Catastrophic Act and say "We'll review this issue and get back to you in a year." I would hate to see us take the seniors of this country on the same rollercoaster ride that the small business owners have been on for the last 2 years.

I urge my colleagues to support this amendment, to take the sensible approach, and to let seniors know that we have heard their objections and we are prepared to respond.

Thank you, Mr. President. I yield the floor.

MR. MCCLURE. Mr. President, I am a cosponsor of the amendment being offered today by the Senator from Arizona [Mr. McCain], and the Senator from Utah [Mr. Hatch], which will incorporate the provisions of S. 335 in the supplemental appropriations bill. As my colleagues know, this amendment seeks to delay implementation of some provisions of the Catastrophic Health Insurance Act Congress passed last year.

Mr. President, senior citizens across this country are sending a message to Congress and that message is clear—something has got to be done about the problem of the Medicare Catastrophic Coverage Act. I have received hundreds of letters, postcards, and phone calls from senior citizens and I am sure my office is not unique in this. Older Idahoans are telling me, in pretty blunt terms sometimes, that the Catastrophic Act is not good coverage, that it is not what senior citizens want and that it costs too much. Many people tell me that they would not mind paying extra if the coverage was decent, but they do not think it is. We in Congress have an obligation to listen to the people in this country and to act accordingly. Right now, senior citizens are telling us to do something about the Catastrophic Act and I think it is time we do so.

It is well known that I was 1 of only 11 Senators who voted against the Catastrophic Act last year and, believe me, I took a lot of heat for doing so. One newspaper in Idaho ran an editorial headline that said I had just told senior citizens to "drop dead." I voted against the act for a number of reasons. I was concerned that Congress was singling out one age group for coverage and essentially saying that senior citizens are the only people who suffer catastrophic illnesses. I was worried that the act was not providing the kind of coverage senior citizens want. I was not sure we had any idea

how much the prescription drug provision would cost.

But even though I voted against the bill, I never questioned the motives of those who voted for it.

All of my colleagues who voted for the bill thought they were doing the right thing. I thought I was doing the right thing by voting against the bill. While I disagreed with the methods of the legislation, I do not believe we live in the type of nation where people have to ruin themselves financially before they can find help in coping with an illness. But neither is this the type of nation, and the type of government, that never admits that it might have made a mistake or that an issue sometimes deserves a second look.

And, Mr. President, that is really all we are asking for—a second look. The amendment being offered today does not strive to make sweeping changes in the Catastrophic Act. It does not make any judgments about whether the act is the best we can do. All it does is buy us a little time to determine whether or not we can do better. Maybe we will find out the current law is the best we can do. But unless we give ourselves that chance, we will have let the senior citizens of this country down.

Some of my other colleagues are talking today and quoting surveys and sources which indicate widespread discontent with the act. I think most of our mailrooms can tell us that. All you have to do is take a look at the volumes of unsolicited mail each and every one of us has received on this issue to know that we have a problem with the act and it needs to be addressed. Hundreds of Idahoans are writing to me to complain. Some are calling for outright repeal and I do not necessarily advocate that position. Some, I will admit, are merely discontent over the financing mechanism and probably would be happy with the coverage if it were free. But I have been struck by the number of people who have examined the benefits being offered them; have looked at what is available in terms of private insurance; have calculated the cost of the new coverage and have ultimately concluded that what is being offered to them not-so-voluntarily is not in their better interests.

I do not think it is unreasonable to put on the brakes a little, and allow some time to rethink the Medicare Catastrophic Coverage Act. That is all the amendment before the Senate seeks to do. It is reasonable, it is prudent, it is what senior citizens are calling for and now is the time to do it.

I urge my Senate colleagues to adopt this amendment.

Mr. BOND. Mr. President, I rise today in support of the amendment offered by my good friend and colleague, the Senator from Arizona [Mr. McCAIN] to delay implementation of

the supplemental premium on the catastrophic health legislation passed last year. In the last several months, I have received a steady stream of letters, phone calls, and postcards from over 15,000 seniors in Missouri who object to certain provisions of the Catastrophic Act and the surtax on income tax that many of them will be paying. I share many of their concerns.

Let me take a moment and share with my colleagues some of those concerns. Many of the seniors from my State and I are concerned about what we regard as unfair double taxation—first they pay income tax, and then a surcharge based on that tax liability—higher than affordable, to participate in a program which may duplicate that which they already have.

From Webster Groves a constituent writes: "As the bill moved through Congress, it was amended to end up as a package which duplicates many of the benefits already available to us. Actually, most of us had our own insurance and were doing fine. It burdens seniors with a large bill regardless of whether they wanted or needed the coverage. Furthermore, it fails to provide protection from the high cost of long-term nursing home care and more expanded home health care."

What's more, participation in this insurance program is mandatory. "Please make it known," says a constituent from Columbia, "that many seniors, of modest income, such as myself will be very hurt by these provisions. Since I have no pension, it has been necessary to provide savings to produce income for our retirement. In order to protect those savings, I have obtained private insurance to cover what Medicare and Medigap policies do not. With this private insurance, which we must still carry in order to protect our assets, the new extended coverage will not be used by us. Congress has added about \$650 per year tax and additional premium for Medicare to our costs, for benefits which we will never be able to use. There are many like us who are being penalized in this manner because we have made personal sacrifices in order to provide for ourselves at no cost to the government."

This quote summarizes the reasons I intend to support Senator McCAIN later today.

Mr. President, I would maintain that these concerns of my constituents are very real and that we have an obligation to these people to look into this act a bit more to address their concerns.

I believe that Senator McCAIN's amendment represents a very prudent course of action. The basic, truly catastrophic protection benefits that went into effect early this year will not be affected. The acute hospital care benefits, and skilled-nursing care benefits,

and skilled nursing care benefits, financed by the \$4 increase in Medicare monthly premiums, will remain intact, as well as the much-needed protection from spousal impoverishment. It is only the additional benefits, in particular the prescription drug benefit, which will be affected by the 1-year delay.

The 1-year delay will ensure that seniors are not forced to pay an unreasonably high surtax on top of their income taxes. The 1-year delay will give the Congress time to examine the program to determine whether or not certain benefits under the program are what seniors really want to give them the protection they need from devastating illness. The 1-year delay will give the Congress time, I hope to address fully the problems of duplicative benefits under the act and the mandatory participation issue. In short, the 1-year delay will give the Congress and the administration time to examine fully the implications of a policy which may not be sound and may unfairly penalize those it was designed to help.

Mr. President, I intend to vote for this delay and urge my colleagues to do so as well.

Mr. REID. Mr. President, I rise today to commend both my colleagues and in particular several people from my home State of Nevada for the work they have recently done to address the severe problems contained in the Medicare Catastrophic Coverage Act of 1988.

The Medicare Catastrophic Coverage Act is finally receiving the congressional attention it so desperately needs. The combination of amendments offered to the supplemental appropriations bill concerning the Catastrophic Act, the debate on those amendments, and the recent Finance Committee hearing on the act demonstrates a developing consensus here in the Senate. That consensus is that something must be done about the Medicare Catastrophic Coverage Act and its harsh and unfair tax treatment of a select number of Americans over the age of 65. I commend my colleagues for joining me in this recognition of this inequity.

I would also like to commend the work of two very active and dedicated Nevadans by the name of Daniel and Marcia Hawley. The efforts of Dan and Marcia and the Seniors Coalition Against the Catastrophic Act [SCACA], the seniors organization they created to repeal the Medicare Catastrophic Act, have certainly been inspiring to me. The Hawleys have traveled to Washington several times in order to present the views of the seniors they represent to myself and my colleagues in Congress. In fact, Dan recently testified before the Senate Finance Committee and pre-

sented to the committee the collective view of 346,426 seniors that the Catastrophic Act should be repealed. I believe the efforts of the Hawleys and other senior organizers like them have opened our eyes here in Congress to the error we made in leveling a new tax—a very burdensome tax—to pay for the act's benefits on a limited group of senior citizens.

For the sake of Dan and Marcia Hawley, those they represent, and other seniors' groups rising in opposition to the Catastrophic Act, I urge my colleagues to continue serious consideration of repealing the Medicare Catastrophic Act.

Last, I would like to commend another Nevadan, Assemblyman Wendell Williams. Assemblyman Williams has joined myself and the Hawleys in speaking for Nevada seniors. He has brought before the Nevada State Legislature a resolution supporting congressional efforts to repeal the Medicare Catastrophic Act. It is my hope that other State legislators will follow the lead of Assemblyman Wendell Williams.

Mr. KOHL. Mr. President, with regard to the catastrophic health care amendments, I understand the concern of my colleagues: There is a problem with this supplemental premium. Many believe it boils down to an age tax. It seems overpriced and people on low, fixed incomes just cannot afford it. We must adjust the cost of the package in a fair way as quickly as possible.

However, some want to throw the baby out with the bath water. It is my sense that Senator McCain's amendment would, in effect, do just that. If we postpone or repeal the law, benefits to millions of American elderly may never be realized. We could undermine the whole thing after years of work for catastrophic coverage.

From the prescription drug coverage alone, 5½ million people will benefit. Another 2.5 million people will benefit from the cap on physician expenses. Rather than taking away that coverage, let's roll up our sleeves, put our hands in the dirty water, and clean the infant that is not up and walking yet. The amendment of the majority leader calls for Senate Finance Committee action on the supplemental premium prior to September 1989. The majority of elderly haven't started paying the tax. We're here arguing about something that is going to happen. Well, why don't we sit down, work out the difficulties, and change what is going to happen. Rather than voting to postpone the problem, let's fix the surcharge now. If the committee does not take action before September 1989, then that is the time to consider delaying implementation.

I supported the chairman of the Finance Committee in reviewing this issue. He operated in good faith and

held hearings. He will act in good faith to reduce the cost of this plan to the elderly.

The people who have written to me have asked me to change the way this law is financed. Many want long-term care, many want the prescription drug benefit to kick in more quickly with a lower deductible, a few want a more progressive formula that increases the cost to the upper income elderly. But without question, the most frequently heard suggestion is to scale back the financing formula and reduce the cost of the program.

That is why I am pleased to support this amendment to modify the premium and I commend our colleagues for their leadership.

Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of the amendment by Senators HATCH and McCAIN. This amendment addresses the groundswell of concern among our senior citizens over the financing of the recently enacted Medicare Catastrophic Coverage Act. It does so by delaying the so-called supplemental premium by 1 year—giving Congress the chance to make improvements in the financing of the Catastrophic Act. I commend my colleagues from Utah and Arizona for proposing this very reasonable solution to the concerns of our Nation's seniors.

The Catastrophic Coverage Act was signed into law on July 1, 1988. Since that time, I have heard from tens of thousands of senior citizens who question both the value of this law's benefits and the fairness of its financing.

A recent survey, conducted last month among 1,000 senior citizens nationwide, affirms the doubts that New York seniors have about this act. The survey found that when seniors are informed that in order to fund this new program, they will have to pay a surtax on their Federal income tax payments of 15 percent for each \$150 owed—up to a maximum of \$800 in 1989—they do not believe that the benefits are worth the cost by a 55 percent to 22 percent margin.

To add insult to injury, we are now told by the Congressional Budget Office that this new surtax will generate excess revenues over and above the cost of the benefits to the tune of some \$3.1 billion. In essence, this amounts to asking senior citizens to fund a \$3.1 billion disguise of the actual size of the national deficit.

It is my understanding that the Hatch-McCain amendment would shrink this excess to approximately \$10 million in fiscal year 1990.

I believe this amendment offers the best solution yet for preserving the most important benefits of catastrophic health care, while making this needed coverage fairer for all beneficiaries.

Under the Hatch/McCain amendment, the supplemental premium will

be delayed by 1 year—while leaving in effect the unlimited hospitalization benefit, the benefit to protect against spousal impoverishment due to nursing home costs, and all other benefits currently in effect.

I am hopeful that this legislation will lead to a thorough review of the Catastrophic Coverage Act. We must undertake this review immediately, taking into full consideration the views of our Nation's senior citizens.

Our passage of the Catastrophic Coverage Act in 1988 contained the implicit promise that we would protect senior citizens against catastrophic health expenses—without imposing on them a catastrophic financial burden. If we are serious about keeping this promise, we will act immediately to agree to the amendment by Senators HATCH and McCAIN.

Mr. KASTEN. Mr. President, I want to lend my strong support to the efforts of my distinguished friend and colleague, the Senator from Arizona, on behalf of America's seniors.

Senator McCain's amendment would put the U.S. Senate emphatically on the side of the health care needs of elderly Americans. My mail office here in the Senate—as well, I am sure, as the mail offices of all of my colleagues—has been literally swamped with letters from senior citizens protesting what they consider to be the unfairly high burden imposed by last year's catastrophic health bill.

The real consequences of last year's bill have become clear. It has not met our own expectations, and it has not met the needs of our senior citizens. This is one health care bill that needs major surgery.

The McCain amendment gives us the opportunity to perform that surgery. While leaving the clearly meritorious elements of the bill intact, it would delay for 1 year the implementation of those elements that are troubling and worrisome to seniors, health care professionals, and other concerned citizens.

This amendment would postpone implementation of the mandatory catastrophic health surtax, the limit on out-of-pocket health care expenses, and the prescription drug provisions of last year's bill.

These three elements need a lot of work. And 1 year will give us the time we need to bring these components of last year's bill into line with the needs of elderly Americans.

Every so often in this Chamber, Senators argue against proposed changes in the law by claiming that changes would represent some kind of "tampering" with the achievements of legislators in the past. In this case, some Senators are reluctant to be perceived as reversing the course we set in last year's bill.

But the fact is, the people didn't send us here from our 50 States to leave well enough alone, and to blandly applaud all of our own past achievements. They sent us here to represent them. To do what's right. To make the bad good. To make the good better.

In short, to learn from experience and make the best possible laws for our country. The McCain amendment makes it possible for us to do this in the case of America's policy on medical care for senior citizens.

To stick with the 1988 bill in its entirety now that its faults have become crystal clear to so many Americans would be an act of legislative folly. Worse—it would be a sign of an almost imperial lack of respect for our constituents, and most especially for those Americans who have lived the longest and thus have the most wisdom to share with us as we proceed with our deliberations.

And let me add, Mr. President, that the perfecting amendment offered by the senior Senator from Texas is not sufficient to the occasion.

Bland, meaningless sense-of-the-Senate resolutions will not cure ailing elderly people of their diseases. Only effective action can. And the McCain amendment will put us on the path of effective action.

Mr. President, let's learn our lesson. Let's make our catastrophic health laws as good as they can be. I urge all my colleagues to vote aye on the important amendment offered by Senator McCain.

Mr. CONRAD. Mr. President, I rise today to support the Mitchell-Bentsen-Dole-Packwood amendment. I am pleased with their amendment, which addresses the important concerns about the excess revenue that may be received from the supplemental premium; the duplicative coverage that may exist between the new Medicare Catastrophic Coverage Act and private Medigap policies. I appreciate the effort they have made to craft this amendment.

I also appreciate the effort my colleague from Arizona has put into his own amendment, and I applaud his commitment to this issue. I believe his amendment is a well-intentioned effort to raise important issues about the Medicare Catastrophic Coverage Act of 1988.

However, Mr. President, I believe it would not be prudent at this time to adopt the McCain amendment. The Senate Finance Committee held hearings on June 1 to discuss the issue of catastrophic care. Those hearings lasted almost the entire day—the Finance Committee is earnestly hearing concerns about the catastrophic law.

Mr. President, the premiums paid by beneficiaries for these new benefits are too high. New evidence suggests that we will receive almost \$5 billion in excess revenues from these premi-

ums. There is no justification to maintain premiums at the current level if we are receiving excess revenues—we must make efforts to seriously reduce the premiums and provide relief to those who are paying these premiums from fixed incomes.

Senator BENTSEN has already proposed the reduction of the supplemental premium. While the administration opposes this reduction, I have written to Senator BENTSEN to support his effort to reduce these premiums. I intend to continue to pursue this issue both with the Senate Finance Committee, and with the administration. If the premiums are not significantly reduced, then we can revisit this issue. This is not the time, however, to rewrite this legislation on the floor of the Senate.

If we adopt this amendment, important Medicaid expansions for pregnant women and children would be delayed. Also, reimbursement for IV drugs used in the home and the coverage of mammograms would be delayed. Most important, the cap on out-of-pocket expenses on physician services will be delayed—a provision that is extremely important because of the escalating costs of physician services. Perhaps this was not the intention of the Senator from Arizona, but I am extremely committed to those provisions and believe they must not be delayed.

Finally, Mr. President, I am concerned by the deficit impact of this amendment. As I understand it, the provision would increase the deficit by some \$400 million in 1989 and \$2.6 billion in 1990. I do realize that the appropriations and reconciliation bills have not been written off 1990, but I simply do not see how we could accommodate another \$2.6 billion. And, Mr. President, we cannot countenance another \$2.6 billion in the 1990 deficit.

Mr. President, we must let the Finance Committee do its job—they will make necessary adjustments in the Catastrophic Act. I urge my colleagues to carefully consider their votes on this issue and cast them in favor of the Mitchell-Bentsen-Dole-Packwood amendment.

Mr. DECONCINI. Mr. President, I am voting today in support of the McCain-Hatch amendment because I believe that we need to consider alternative financing options for the Medicare Catastrophic Coverage Act benefits. On the whole, senior citizens in my State strenuously object to assuming sole responsibility for the total costs of the new benefits. They believe that everyone should share the responsibility. Unfortunately, President Reagan did not agree with them. He insisted that the beneficiaries alone pay for the additional benefits. It was the President and his representatives who were at the negotiating table demanding beneficiary-paid premiums when Congress developed the final

provisions of the act last year. That is the source of the problem today.

I have proposed legislation which offers one way of spreading the cost of the new benefits among a larger pool of people. My proposal repeals the supplemental premium and raises the needed revenues to finance the benefits by lifting the \$45,000 cap on salaries subject to the FICA hospital insurance tax. The year's delay contained in this amendment provides us with time to consider my proposal along with others offered by my colleagues. My bill addresses the crux of the elderly's concerns—how to finance catastrophic health care costs. This is the one issue not addressed by the pending amendment and is the most critical part of our response to the health care needs of the elderly.

In the meantime, despite the recent death of its chairman, the Pepper Commission has reiterated its commitment to making legislative recommendations on long-term care by November 1989. Congress would be able to use the expert advice of this influential group as it considers modifications to the new law. Perhaps we can clear up the rampant confusion about the value of the new law's benefits and get a better fix on what the final program benefits will cost.

Obviously, it will be necessary to develop a solution which balances the needs of all seniors. Some seniors need immediate help with catastrophic expenses associated with protracted acute illness while others want more protection against long-term care costs. No senior citizen of the most industrialized country in the world should have to endure poverty in order to get needed medical care.

When Congress adopted the new law last year, everyone sincerely believed it was the right thing to do. Certainly, no one wants to disregard the objections of the elderly now and I am prepared to work with my colleagues to correct any problems that may arise. The task will not be easy. I hope that after today's action we will get down to business and begin to develop solutions to the critical issues at hand.

Mr. SYMMS. Mr. President, since the Senate passed the Medicare Catastrophic Protection Act a year ago, I have heard from literally hundreds of constituents opposing the new law. In fact, with the possible exceptions of the Panama Canal and withholding on interest and dividends, I cannot remember when I have received such a tremendous response on a single issue.

This bill, at a cost of over \$29 billion for the first 5 years, constitutes the single largest expansion of a Federal social welfare program since Medicare was created in 1965. And, aside from the fact that our senior citizens are paying a rather large tax on benefits they neither want nor need, we have

now discovered that the tax imposed is far in excess of what is needed to cover the services.

During Congress' deliberation on the legislation, the seniors were lead to believe that this coverage would be sufficient for all their medical needs; they would no longer need supplemental insurance. This was a misconception. Yet, many canceled other health insurance policies only to find that the new law, not only did not cover them adequately, but it cost far more than a second insurance policy. Why should our seniors be required to pay this catastrophic premium when they could easily find a less expensive policy that takes care of their true needs such as long-term care?

We are all aware of the devastating effects long-term care can have on those suffering from catastrophic illnesses, yet this bill does not address that issue. Instead, the Catastrophic Protection law puts our seniors among the highest taxed citizens in America. In 1989, for the supplemental premium, they will pay an income surtax of \$22.50 on every \$150 owed in regular income taxes, up to \$800. It continually rises so that in 5 years, this "tax on a tax" will cost \$42 per \$150 up to \$1,050.

Senator McCain's amendment will allow the long-term hospitalization benefit to continue as implemented and bring the spousal impoverishment protection on line as scheduled in July, raising the seniors' monthly payments \$4 above the normal annual increase.

The other costly benefits however, such as the coverage on prescription drugs, would be delayed for 1 year along with the supplemental premium. This will give Congress time to re-evaluate the situation and the true needs of our senior citizens. "Assistance for long-term care" is what I am hearing from seniors in Idaho as well as other States. Now that they have made this very clear, we ought to take some action to reach this goal.

Mr. KERRY. Mr. President, I rise today to support the amendment offered by my colleague from Maine. While I believe very deeply that the current catastrophic plan desperately needs reform and is grossly unfair in several respects, the benefits of the Medicare Catastrophic Coverage Act are simply too important to delay their implementation for a year.

The Medicare Catastrophic Coverage Act makes significant improvements in Medicare coverage for all of our elderly. Some of the benefits are simply not available in the private sector—respite care, for example. Others would be priced much higher by private sector insurance—the prescription drug benefit. Still other benefits remove the fear from millions of the elderly that a lengthy and costly illness will devastate their finances

and those of their families: The cap on out-of-pocket expenses under Medicare part B, the limit on hospital deductible to one per year, home health care benefits, expanded skilled nursing care. These are major benefit expansions—the first since Medicare was enacted. Voting to delay benefits could mean forfeiting these benefit expansions forever.

But as I stated this act has some very serious problems, and we must correct them rapidly. The Finance Committee and other committees are committed to take a look at the issues raised by our Medicare recipients and report changes to the Senate this summer. I will continue to work with my colleagues to ensure that the necessary improvements are made in the act.

I understand the anguish of the elderly faced with increased Medicare premiums. The middle-class elderly who will have to pay the supplemental premium, the premium that increases with income tax liability, are feeling that they will bear an unfair burden. And now, the Congressional Budget Office and the Joint Tax Committee project that the supplemental premium will bring in a surplus of \$10 billion instead of \$4.2 billion over the next 5 years.

The Mitchell amendment means that the Finance Committee will address the issues surrounding the amount of the supplemental premium; the Finance Committee has already held hearings on this issue.

It is very important for all of us to remember that when the legislation was negotiated last year, the Reagan administration insisted that the bill be deficit neutral and that funding not come from general revenues. That is why the benefits are financed by the supplemental premium. The Bush administration opposes any tinkering with the premium or the benefits of the Medicare Catastrophic Coverage Act.

The elderly are very concerned that they are paying for coverage they already receive from former employers or through private Medigap policies. I share that concern.

Twenty percent of Medicare beneficiaries have Medigap policies paid for, at least in part, by former employers. Under the law, duplicate coverage is supposed to phase out and private premiums are supposed to fall accordingly, but this is not happening in a way that seniors feel they are getting a good deal. Our Federal retirees feel especially hard hit by duplicate coverage.

These problems are dealt with in several ways with this resolution. The authorizing committees will look at the duplication issues for military and civilian retirees. The amendment also expresses the sense of the Senate that the States enforce the provision that

supplemental private insurance policies and premiums are appropriately scaled back as the benefits of the catastrophic bill are phased in. The resolution also instructs the Finance Committee to consider making the catastrophic program voluntary rather than voluntary.

Again I state—I believe that the Medicare Catastrophic Coverage Act must be reformed. I will work with the senior citizens of Massachusetts and my colleagues in the Senate to ensure that it is. There is nothing more important to me than to make sure this program works.

RELIEF FROM THE MEDICARE PREMIUM SURTAX

Mr. WARNER. Mr. President, I rise to support the amendment offered by my colleague from Arizona, Senator McCain. Finally, the Senate is given an opportunity to address the Medicare catastrophic health insurance premium surtax. We are fortunate to have as our leader in this effort a proven "fighter" Senator McCain.

I wish to make it very clear that my opposition to the Mitchell/Bentsen/Packwood alternative should in no way be construed as a vote against lower premiums. My support is for deferring the premium surtax and re-evaluating the financing mechanism of the entire Catastrophic Health Insurance Program.

The Senate Finance Committee has indeed begun to reexamine this issue. I was among those voting 97 to 2 on April 12 requesting such action. It is my understanding that various proposals are being considered which would reduce the premium surtax, but as yet, this McCain amendment is the first opportunity we have had to actually defer the implementation of the premium surtax.

In my 11 years in the U.S. Senate, I have never dealt with an issue which has met with such unrelenting opposition as the Medicare catastrophic health insurance premium surtax. My office has been deluged for months with thousands of letters and calls expressing the objections of older Virginians. I thank these many Virginians for taking an initiative in this struggle to correct a mistake.

Who is subject to the surtax? I will tell you—the very people who have worked hardest and longest to provide for their earned years of retirement or continued work. In my judgment, their resentment is well founded. After years of preretirement planning and carefully setting aside their savings, it is infuriating to be asked to pay a dedicated tax supporting those who may not have been as responsible in planning for their future.

Retirees in my State are ready and willing to pay their fair share. They do not, however, believe that an income-based premium surtax, requiring some

to pay more than others for identical benefits, is fair or equitable.

Mr. President, when this measure first passed the Senate, participation in the Medicare Catastrophic Health Insurance Program was optional. This was a wise-equitable course of action which had my strong support. The Finance Committee had tied the program to part B of Medicare, still a matter of choice for retirees, although widely utilized. When the measure went to conference, the program was changed to become mandatory, tied instead to part A of Medicare to which all Social Security retirees are entitled upon reaching the age of 65.

What Medicare retirees object to so strenuously is the arbitrary nature of the catastrophic plan. If you are Medicare eligible you are subject to the tax. There is no exception. Even if you have worked a lifetime to secure your own health insurance benefits, you are still subject to the premium surtax.

Mr. President, I encourage all of my colleagues to lend their support to the McCain amendment. Let us send a strong message to our retirees that yes, we hear them. The premium surtax is unfair and it needs to be changed.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, under the previous order, this vote was to commence at 7:40. Senators have been so notified. I will momentarily request that the vote begin now but then extend for 20 minutes.

Before I do, many Senators asked me about our plans for the rest of the evening. I believe Senators are aware of the unanimous-consent agreement that has been entered into. If this motion to table does not prevail, then it is my intention that this would be the last rollcall vote this evening; that the further votes, I will suggest, be by voice vote.

I have had no request for a rollcall vote on final passage. If this motion to table prevails, then under the order there will be a period for debate and rollcall vote on the motion to waive the Budget Act which will occur approximately 40 minutes after the conclusion of this vote.

Thereafter, it would be my suggestion there would be no more rollcall votes. This is one certain vote coming up, and if this motion to table does not prevail, it will be the only rollcall vote, it is my present intention. If it succeeds, then there will be a second rollcall vote and that will be the final rollcall vote under my present intention, barring any request by some Senator for a rollcall vote for final passage, which has not been received.

Mr. President, I ask unanimous consent that the vote on the McCain motion to table the Mitchell-Dole amendment occur immediately and be a 20-minute vote.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the motion to lay on the table the Mitchell-Dole amendment, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 49, nays 51, as follows:

(Rollcall No. 83 Leg.)

YEAS—49

Armstrong	Harkin	Nickles
Bond	Hatch	Pell
Boschwitz	Hatfield	Pressler
Bryan	Heflin	Reid
Burns	Helms	Roth
Coats	Hollings	Rudman
Cochran	Humphrey	Shelby
D'Amato	Kassebaum	Simon
Danforth	Kasten	Specter
DeConcini	Levin	Stevens
Domenici	Lott	Symms
Exon	Lugar	Thurmond
Garn	Mack	Wallop
Gorton	McCain	Warner
Graham	McClure	Wilson
Gramm	McConnell	
Grassley	Murkowski	

NAYS—51

Adams	Dodd	Lieberman
Baucus	Dole	Matsunaga
Bentsen	Durenberger	Metzenbaum
Biden	Ford	Mikulski
Bingaman	Fowler	Mitchell
Boren	Glenn	Moynihan
Bradley	Gore	Nunn
Breaux	Heinz	Packwood
Bumpers	Inouye	Pryor
Burdick	Jeffords	Riegle
Byrd	Johnston	Robb
Chafee	Kennedy	Rockefeller
Cohen	Kerry	Sanford
Conrad	Kerry	Sarbanes
Cranston	Kohl	Sasser
Daschle	Lautenberg	Simpson
Dixon	Leahy	Wirth

So the motion to lay on the table amendment No. 140, as modified, was rejected.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the motion to table was rejected.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BIDEN. Mr. President, I wish at this time to clarify my vote today relating to the Catastrophic Coverage Act. I strongly supported Senator McCain's amendment to delay implementation of portions of the Catastrophic Coverage Act. While the amendment would have left in place the new benefits dealing with long-term hospitalization and spousal impoverishment, importantly, it would have delayed for 1 year most of the provisions which have not yet come into effect, including the new supplemental premium.

Nonetheless, on the motion to table the Mitchell-Dole substitute for the

McCain amendment, I did not vote to table. In my 16½ years in this body, when the Senate leadership has offered an amendment, I have almost always supported their right to a vote. In this case, that meant voting not to table the Mitchell-Dole amendment, in order that an up or down vote could occur on their proposal.

However, I also want to make it clear that had a rollcall vote occurred on the Mitchell-Dole amendment, I would have voted no, because I believed the Senate should have approved the McCain amendment to delay portions of the Catastrophic Coverage Act.

I object to two central features of the Catastrophic Coverage Act. First, I oppose the act's financing system. It is clear that the Catastrophic Coverage Act was really a social welfare program—it is most beneficial to that proportion of the elderly who incur high medical expenses but had little or no health insurance. Unlike other social welfare programs, however, the Catastrophic Coverage Act was not financed broadly by all members of society. Instead, at the insistence of President Reagan, the Catastrophic Coverage Act was funded exclusively by senior citizens.

It is not that we are asking senior citizens to pay for their own benefits. Experts agree that most of those senior citizens paying the supplemental premium will pay in more money than the dollar value of the benefits they will receive. This is particularly true when you consider that most senior citizens paying the supplemental premium already had coverage similar to or better than the coverage provided by the act. So this act is not asking seniors to pay for themselves, it is asking some seniors to pay for benefits for other seniors.

I believe that this approach is unfair. We do not require veterans to fund all veterans programs. We do not require the disabled to fund all programs for the disabled. We do not require that all education programs be paid for by parents with children. Our previous social welfare programs have, without exception, been financed by all taxpayers. The Catastrophic Coverage Act breaks with this crucial principle, and moves our society in a dangerous direction. As a result, I believe that we must restructure the funding mechanism for the Catastrophic Coverage Act.

Second, I object to the act's mandatory nature. Many senior citizens, including a substantial number in Delaware, already had Medigap coverage that was just as good as the coverage in the Catastrophic Act. The final version of the Catastrophic Act requires that all seniors receive and pay for the expensive new benefits—including those who did not need the coverage. I

believe that this mandatory approach is unwise, and I oppose it.

Senator McCAIN's amendment did not directly address either of my objections to the Catastrophic Act. Nonetheless, this amendment would have prevented the flaws of the act from becoming so entrenched as to be impossible to change in the future. By blocking implementation of many of the act's provisions for 1 year, this amendment would have enabled the Congress to study and revisit the question of how best to provide catastrophic coverage to senior citizens.

I did have one concern, however, with the McCain amendment. I strongly opposed the portion of the amendment that would repeal the advances in Medicaid coverage for poor pregnant women and infants. Those provisions address the crucial health needs of the most vulnerable members of our society, and those provisions are not exclusively financed by senior citizens. None of the concerns voiced by Senator McCAIN, myself, or any other supporters of the McCain amendment applied to these child and maternal health provisions, and I am confident that they were only included in the bill through an oversight.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, as I indicated to the Senators earlier, the only matters remaining will now be the disposition of the amendment on which the motion to table was just rejected; then the underlying amendment, as amended, by that amendment; then some technical amendments; and final passage.

Mr. MITCHELL. It is not my intention or that of the distinguished Republican leader, or of the managers of the bill to request rollcall votes on any of those matters. Accordingly, unless some Senator now expresses a desire for rollcall votes on those matters, there being no response, that will be the last rollcall vote this evening.

The PRESIDING OFFICER. The Senate will be in order. The question is on agreeing to the amendment of the Senator from Maine [Mr. MITCHELL].

The amendment (No. 140), as modified, was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment, as modified was agreed to.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. SIMON). The question is on agreeing to the amendment of the Senator from Arizona [Mr. McCAIN], as amended.

The amendment (No. 139), as amended, was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which

the amendment, as amended, was agreed to.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD addressed the Chair. The PRESIDING OFFICER. The Senator from West Virginia.

AMENDMENT NO. 143

(Purpose: Making technical corrections to H.R. 2072)

Mr. BYRD. Mr. President, I send a series of technical amendments to the desk, and I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. Byrd] proposes an amendment numbered 143.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is agreed to.

The amendment is as follows:

On page 10 at line 18, delete "301" and insert "201".

On page 12 between lines 13 and 14, in amendment 127, delete the word "borrowing" in the last line and insert "recipient".

On page 14 after line 24, in amendment number 136, insert the head "Haiti", and delete "553(b)" and insert "563(b)".

On page 17 at line 20, strike "501" and insert "401".

On page 19 at line 15, delete "502" and insert "402".

On page 20 at line 1, delete "503" and insert "403".

On page 41 at line 16, delete the word "calendar" and insert the word "fiscal" in lieu thereof.

At the appropriate place insert the following:

"Effective June 15, 1989, the Library of Congress shall provide financial management services and support to the United States Capitol Preservation Commission as may be required and mutually agreed to by the Librarian of Congress and the Chairmen of the United States Capitol Preservation Commission."

Mr. PRYOR. Mr. President, I am deeply concerned about the impact of the Social Security Administration's 800 number initiative. New evidence has very recently surfaced to show that expansion of the system threatens the quality of the agency's service due to staffing shortages in Social Security field offices.

Mr. President, SSA's 800 number initiative raises many important issues that go to the heart of the Social Security Program. In towns across America, people know their Social Security local office representatives. They see each other at the grocery store. They may be in a club together, or even sing in the church choir together. Under SSA's 800 number initiative, however, if they haven't already, they soon will lose direct access to their local Social

Security office. The 800 number is rapidly depersonalizing the Social Security Program.

Already, 60 percent of the country can no longer call their local Social Security office. Even the addresses of local offices have been stripped from directories. Since last October, their calls are automatically rerouted to teleservice centers, often hundreds if not thousands of miles away. Assuming they get through, they have about as much chance of reaching the same individual twice as they do of winning the lottery.

The elderly and others who rely on SSA have also experienced the same accessibility and accuracy problems much of the public has when calling the IRS' 800 number. For example, last January, the busy signal rate was about 43 percent nationwide, and in many areas rose as high as 60-70 percent. Not only could many callers not get through, but when they did, they often got wrong information. In fact, nearly one in four callers got the wrong answers to questions about SSI.

Mr. President, I ask unanimous consent that a copy of my statement from an April 10 hearing of the Senate Special Committee on Aging, which outlines a number of my concerns in this area, and an April letter to the General Accounting Office be printed in the RECORD, following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PRYOR. In recent months SSA has brought down the busy signal rates, but only by robbing needed staff from Social Security field offices during peak times. From the start, the 800 number initiative has been a higher priority than service to the public in field offices. The agency's staffing decisions are yet further evidence of this.

Nearly 1,000 permanent staff and hundreds of part-time staff will be needed to bring the remaining 40 percent of the country on line. After years of deep and harmful staff reductions, SSA currently is pushing to cut overall staffing levels by an additional 2,000 positions in fiscal year 1990. Only 4 years ago, SSA had 80,000 employees. Now there are 67,000 employees, 13,000 fewer. Expanding the 800 number while making these staff cuts will surely damage the quality of services in field offices.

Mr. President, last Saturday the New York Times quoted an internal memorandum from Commissioner Dorcas Hardy to Secretary Sullivan that said further cuts would "result in a major deterioration of service and serious inefficiencies in the system." She referred to "the already severe staffing imbalance problem." She went on to say that "Our most dedicated employees, at the end of their

rope from a 20-percent staff reduction, will quit, or worse, become discourteous to our clients and begin to make errors."

Furthermore, an April 1989 draft report of the Inspector General's Office reports that public satisfaction with SSA's services has dropped nearly 10 percent over the last year, from 87 percent to 78 percent. Yesterday, the Senate Aging Committee heard testimony from witnesses that continued staff cuts at SSA are leaving millions of elderly and disabled beneficiaries vulnerable to financial abuse by unsupervised representative payees. While I am pushing ahead with legislation to require SSA to monitor such individuals, these needed reforms cannot be achieved in the face of further staff cuts.

According to a recent survey of Social Security field office managers in the Northeastern United States, walk-in traffic into offices in those areas has actually increased as a result of the 800 number initiative. The public simply isn't getting satisfactory service over the 800 line and is coming into their offices for assistance.

Following a hearing of the Senate Special Committee on Aging on the SSA's 800-number initiative, I wrote the distinguished chairman of the Labor HHS Appropriations Subcommittee to urge him to scrutinize SSA's funding requests for the 800 number initiative in light of these problems. I know the distinguished chairman of the subcommittee is also committed to ensuring the elderly and disabled Americans are provided the best quality service possible by the SSA.

Mr. HARKIN. I agree with the Senator from Arkansas that SSA should make service a top priority. I also share his concerns about the impact cuts in staff have had and will continue to have if further cuts are made.

Mr. PRYOR. I hope that in light of the findings in the Inspector General's draft report and the other information I have mentioned that you will try to put a halt to further staff cuts in SSA.

Mr. HARKIN. In the next few weeks we will be preparing to act on SSA's proposed appropriations for fiscal year 1990, and I intend to recommend to the Labor, HHS Appropriations Subcommittee, as its chairman, that a staffing floor be included to prevent further erosion of services. I also will look very closely at the further implementation of the 800-initiative to make sure that further expansion is not at the expense of service through field offices.

Mr. PRYOR. I thank the distinguished chairman, and I look forward to working with him on this vital issue.

EXHIBIT 1

OPENING STATEMENT, SENATOR DAVID PRYOR,
CHAIRMAN, SENATE SPECIAL COMMITTEE ON
AGING, APRIL 10, 1989

SSA'S NEW 800 TELEPHONE SYSTEM: SERVICE OR
DISSERVICE?

On behalf of myself and the other members of the Special Committee on Aging, I want to welcome everyone to this morning's hearing. Today, we will be focusing our attention on the Social Security Administration's (SSA's) new toll-free telephone system and whether the services it delivers—or fails to deliver—justifies its extraordinarily rapid implementation.

The importance of the SSA's role in the lives of millions of Americans cannot be overestimated. Nationally, 38 million individuals—retired workers, their widows, and the children of deceased workers—depend upon Social Security. An additional 4 million or more elderly, blind, and disabled persons living in poverty are provided monthly assistance under the Supplemental Security Income program, or SSI. In my home state of Arkansas, there are nearly half a million elderly men and women who receive Social Security benefits, and over 40,000 whom are provided assistance under SSI.

For years, SSA has provided personal service to elderly Americans and others through its many local field offices. In recent years, however, the agency increasingly has moved toward service delivery through a small number of so-called teleservice centers. Last October, SSA took a further leap in this direction by launching a new 800-number system in which all calls concerning Social Security and SSI were routed to the teleservice centers. At present, the 800-number system is in effect throughout 60 percent of the nation, with the rest of the country scheduled to come on line in September 1989.

Before SSA's 800-number system was started up, I asked the General Accounting Office (GAO) to examine the adequacy of the agency's then-implementation plans. I felt every precaution should be taken to avoid a repeat of the kind of problems, such as lack of accessibility, that was plaguing a similar teleservice program operated by the IRS. Unfortunately, despite a number of assurances that SSA provided to GAO in this regard, I recently learned that my concerns were warranted. In January, for example, the busy signal rate was about 43 percent nationwide, and in a number of metropolitan areas it was as high as 60-70 percent. Further, when callers do get through they may not be given accurate information. More than one in five callers or 23 percent asking questions about the earnings limitation for those 70 years of age were given the wrong answer, as were nearly 1 in 4, or 24 percent with questions about SSI.

I have a number of additional concerns about SSA's 800 number system, particularly the misleading way it has been promoted to the public. From the start, the 800 number has been characterized as an "option." In fact, callers in those areas in which the system is in effect have lost direct access to their local Social Security office. Calls to local offices are intercepted and rerouted to a teleservice center, listings for local offices have been stripped from telephone directories issued after the system's startup date, and directory assistance has been instructed to give only the 800 number. At the same time, SSA teleservice operators are discouraged from giving out the local office number and address.

A related and similarly troubling aspect is that callers to SSA's 800 line are left to assume that they are being connected to their local Social Security office, rather than to a teleservice center which may be hundreds of miles away. Not only is this wrong, but it can lead to great frustration, confusion, and even hardship. For example, Spanish-speaking callers from California may be unable to communicate their concerns to teleservice operators in other States, while conversely callers from mining States may be unable to get answers to questions regarding the black-lung program. As another example, callers seeking information about their State's SSI supplemental rate may be given the rate applicable to an entirely different State.

While teleservice may be appropriate for a telemarketing firm, in my view it is highly questionable whether this is a workable approach for an agency charged with providing a complex range of services. To date, despite the expenditure of enormous resources, callers to the IRS's 800 line have yet to be assured of accessible and accurate information. Similarly, I have very serious reservations about the advisability of adopting a teleservice system where patience, care, and extensive knowledge are often required to truly provide a service. Yet, as outlined in SSA's Project 2000 plan, this is exactly the direction in which SSA is moving. According to the plan, "SSA should move forcefully to make teleservice the predominant mode of service long before the year 2000."

SSA is a unique agency, responsible for serving those who are among the most vulnerable in our Nation, who often require personal attention to be fully responsive, and who commonly are intimidated by modern technology. That SSA would even consider dehumanizing its service delivery system reveals a profound lack of understanding about the agency's mission and the special needs of the population it is mandated to serve.

At present, SSA is in the process of fundamentally changing the way services are provided—turning away from a community-based, personal approach to a centralized, depersonalized teleservice system—without ever stopping to consider the views of elderly Americans and others who depend on SSA. I believe they should be asked and full public discussion ensured before any changes, particularly those that are outlined in the Project 2000 plan, are considered.

Another management problem has recently come to my attention that I find shocking. I have discovered that SSA has verified the Social Security numbers of millions of Americans for private companies such as credit bureaus and banks. This is potentially the largest breach of confidentiality in the history of the program.

The Social Security Administration should not become a conduit, as it apparently has been, for any business which wants access to confidential Social Security data on individuals. SSA exists to administer a critical set of programs affecting most Americans; it should never be coopted for commercial purposes.

I have been alarmed that all of the attorneys I have contacted tell me that Social Security's actions violate the Privacy Act of 1974. The law prohibits disclosure of Social Security information on individual Americans without their express consent. The American Law Division of the Congressional Research Service and the expert counsel to the House Government Information Sub-

committee have all concluded that SSA's actions violate the Privacy Act.

SSA's actions reflect a lack of sensitivity to the law, as well as to the need to maintain the privacy of Social Security data on individuals. SSA should not have proceeded with such verifications if there were even a question as to their legality.

SSA officials did eventually ask for SSA's chief counsel to review legal questions, but his report was issued on December 5, 1988, after millions of individuals' files had been verified for private companies. Although the report did not contain any strong conclusions about whether SSA should continue the verification procedures, I read the report to indicate that such verification could be construed as illegal.

SSA had begun preparations to run files on 140 million Americans for TRW as of March 1987. SSA officials asked TRW for \$1 million for the information processing, and TRW agreed. Incredibly, the Commissioner has asked Congress to increase SSA's funding for computers by \$30 million next year, claiming SSA lacks the capacity it needs. How, I would ask, did they expect to find the spare time to run a million dollar job for TRW?

Even if SSA's actions were legal, they were certainly inappropriate. SSA should maintain public confidence in the confidentiality of its records. We should not encourage use of Social Security numbers as universal identifiers. And considering that SSA is pleading before Congress about its need to increase funding for computer systems, I wonder where it gets the excess capacity to do computer runs for private companies.

At today's hearing, we will examine these issues. I hope we will begin the public debate that has been so sorely lacking in SSA's planning process and that is so vital to the well-being of those the agency is mandated to serve.

SPECIAL COMMITTEE ON AGING,
Washington, DC, April 28, 1989.

HON. CHARLES A. BOWSER,
Comptroller General of the United States,
General Accounting Office, Washington,
DC.

DEAR MR. BOWSER: As you know, I have been deeply concerned about the impact of the Social Security Administration's (SSA's) new toll-free teleservice system on the quality of the agency's services to the public. In this regard, I am writing to follow-up on an oral request I made at the recent hearing of the Special Committee on Aging that the General Accounting Office (GAO) continue to look closely at the performance of the new toll-free system.

At the hearing, conducted on April 10, the Committee examined a number of reported problems associated with SSA's toll-free line, particularly with respect to the high rate of inaccurate answers and busy signals many callers have experienced. Mr. Joseph Delfico, testifying on behalf of your agency, noted that SSA's own studies concerning the toll-free system's accuracy revealed error rates that were alarmingly high in certain areas. For example, with respect to the Supplemental Security Income (SSI) program, more than one in five callers were provided incorrect information.

In his testimony, Mr. Delfico also pointed out that the studies that SSA has conducted in this area cannot be considered representative due to limitations in the methodology employed. Among the methodological limitations I am particularly concerned about are the studies' small sample size and

narrow scope, as well as SSA's decision, in at least one study, not to score incomplete answers as incorrect and in another to exclude incorrect answers if a caller—for whatever reason—also is referred to a field office. Further, I understand that in a more recent survey, teleservice operators whose calls were monitored for accuracy was not randomly chosen but rather carefully selected on the basis of their experience and knowledge. Clearly, studies based on flawed methodologies such as these are not reliable and, worse, underestimate the true extent of the toll-free system error rate.

Until there is a clear picture of the toll-free line's errors rates, it will not be possible to take the steps needed to correct problems in this area. For this reason, at the April 10 hearing I urged that GAO conduct an independent evaluation of the accuracy of answers provided over the toll-free line. As part of this effort, I also would like GAO to examine whether there is a possible relationship between an increasing error rate and complexity of the question posed by the caller. In addition, I am requesting that GAO continue to monitor the frequency in which callers encounter busy signals, what steps SSA is taking to reduce busy signal rates, the consequences of those steps on field office service, if any, and how long callers are placed on hold.

An independent evaluation of the accuracy and accessibility of SSA's toll-free system is critical to our efforts to assure that the millions of elderly and disabled Americans who depend on SSA are truly served by the agency. I appreciate your willingness to undertake this study and look forward to reviewing your findings.

Sincerely,

DAVID PRYOR.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I point out that these amendments have been cleared by the Republican side, in particular, the distinguished ranking Republican, Senator HATFIELD.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for making that statement.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia.

The amendment (No. 143) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I would like to commend my distinguished chairman, Senator BYRD, for his floor leadership on the 1989 supplemental appropriations bill and his persistence in keeping this vital legislation on track.

Mr. President, as chairman of the Transportation Subcommittee, I would like to briefly recap for my colleagues the highlights of the transportation section of the bill.

The transportation section of the bill is modest. We have included only those items that are absolutely neces-

sary and need action now, rather than waiting for the fiscal year 1990 bill to move.

The only additional funding that has been included is \$6.6 million, for the Essential Air Services Program. Without this supplemental, this very vital program will run out of funds in early July and service to approximately 155 communities would be terminated.

Because of the efforts of the full committee chairman, Senator BYRD, and others on the committee, including Senators KERREY, REID, JOHNSTON, INOUE, DeCONCINI, BURDICK, STEVENS, GRASSLEY, COCHRAN, DOMENICI, and KASTEN, the administration withdrew an earlier proposed rulemaking that would have eliminated service to a selected number of communities in March, in order to stretch the funding out over the year and to avoid a supplemental. While this would have continued the program, it would have done so at the expense of 30 to 40 communities.

For the Coast Guard, the bill contains three provisions, all of which relate to the recent Alaskan oilspill: One provides that, if the Coast Guard spends its operating money in support of the oilspill cleanup, Exxon's payments will be treated as reimbursements. Another provision provides authority for the Secretary to borrow money in an emergency to pay for cleanup of an oilspill, in the event that insufficient funds are available in the pollution fund to finance the cleanup. Finally, the bill provides that the vessel traffic information system be reactivated in New York Harbor.

We have included report language directing the U.S. Coast Guard to bill Exxon for 100 percent of the cleanup costs. It makes no sense for the Coast Guard to spend its limited resources on the cleanup effort and not insist that Exxon repay. Otherwise, the taxpayer would indirectly be subsidizing Exxon's cleanup expenses.

We have also included a provision directing the FAA to initiate a rulemaking on the deployment of explosive detection devices and systems in airports. The security of the American traveling public is and should be one of our highest priorities.

Those are the highlights, and I thank all my colleagues for their input to and suggestions for the transportation portion of the bill.

REFUGEE RESETTLEMENT

Mr. WILSON. Mr. President, today I rise to express my opposition to a specific provision included in the Senate's dire emergency supplemental appropriations bill, that threatens refugee resettlement efforts in California.

Specifically, the Senate bill provides that, for the sole purpose of allocating refugee targeted assistance program [TAP] funds, the term "refugee" shall

include Nicaraguan entrants. While I understand that this provision was included in the bill at the administration's request to help alleviate the costs associated with the recent influx of Nicaraguans into certain communities, I do not believe the refugee targeted assistance fund is an appropriate source of funds to relieve this situation, one created by political asylees.

Targeted assistance is made available to communities with unusually high concentrations of refugees who require an increased level of resettlement assistance to promote economic self-sufficiency and to reduce dependency on public assistance programs.

It is important for Senators to note that targeted assistance funds are allocated to States and counties based on refugee welfare dependency rates over time. The provision in the supplemental bill to which I am objecting, instead, would allocate targeted assistance based on the sheer number of Nicaraguan entrants without reference to welfare dependency rates. This is inconsistent with the stated purposes of the targeted assistance program.

Mr. President, it is clear that we have a responsibility to assist communities impacted by large influxes of refugees. Let me add that California is home to almost 50 percent of our Nation's refugees and countless more legalized and illegal aliens. So, I do recognize, and I have advocated the need for Federal action in this area.

But the proposal before us in the supplemental appropriations bill fails to recognize that the very communities who rely on targeted assistance would be penalized. This provision, ill-advisedly, diverts direly needed funds from refugee-impacted areas to assist other communities hit hard by the influx of Nicaraguans, who are political asylees. Communities in California, among others, will be forced, unfairly, to assume the financial burden that the Federal Government should rightfully pay. And that is patently unfair, Mr. President.

Robbing Peter to pay Paul does nothing to alleviate the burden refugee-impacted communities are faced with nor does it, in my opinion, provide any long-term relief to communities burdened by large numbers of Nicaraguan entrants. Whether they are Soviet Armenians and Southeast Asians or political asylees, this proposal means fewer targeted assistance resettlement dollars to States and local governments in need.

I can assure my colleagues that the city of Fresno where there are some 38,000 Southeast Asian refugees—12 percent of the population—can ill-afford to sacrifice further Federal refugee resettlement assistance.

In the same respect, refugee resettlement in Los Angeles County has grown to over one-fifth of the total

refugee admissions into the United States. The cost of these refugees to the State of California and the County of Los Angeles has more than tripled since 1983, while targeted assistance funding per refugee has dwindled to \$171 per refugee versus \$1,362 per refugee in fiscal year 1983. Diverting much-needed funds from Los Angeles, as proposed in this provision, not only spells disaster for Los Angeles County, but for the thousands of refugees who need these services to ensure their own self-sufficiency.

And in another respect as well, Mr. President, the administration's proposal before us today will cause very severe problems in the immediate days to come because the final fiscal year 1989 funding allocation notice for targeted assistance has not yet been published. This proposal, by changing the allocation formula, would further delay that funding allocation notice, meaning that States and counties will be unable to forecast their refugee services budget for the year. Without it, which is now the case, targeted assistance programs nationwide will be forced to close their doors as contracts expire, thus disrupting critical services and eliminating opportunities to reduce welfare dependency among refugees.

Given that the House-passed version of this supplemental appropriations bill is silent on this specific matter, I urge my colleagues on the Appropriations Committee to eliminate this provision in conference.

PUBLIC HOUSING DRUG ELIMINATION ACT OF 1988 AND PERFORMANCE FUNDING SYSTEM

Mr. LAUTENBERG. Mr. President, I rise to express my support for two important housing provisions in this bill that were included by the Appropriations Committee at my request.

First, I am very pleased that this bill contains full fiscal year 1989 funding of \$8.2 million for the Public Housing Drug Elimination Act of 1988 [PHDEA], a program I developed last year as part of the omnibus drug bill.

Mr. President, the problem of drug-related crime in public housing is reaching crisis proportions. Increasingly, projects are becoming virtual war zones, controlled by armies of violent, heavily armed drug dealers. Murders, muggings and other types of violence have become routine. Tenants, all too often, are afraid even to leave their apartments.

The Public Housing Drug Elimination Act of 1988 was designed to give tenants and public housing authorities the weapons they need to fight back. The law, which has been endorsed by Secretary Kemp, establishes a Competitive Grant Program under which public housing authorities and tenants are provided with funding to fight drug-related crime. Money can be used to hire security personnel, to make physical improvements specifically de-

signed to enhance security, and to fund innovative programs to reduce the use of illegal drugs in public housing, among other possible uses.

The PHDEA was authorized at \$8.2 million in fiscal year 1989, but to date no money has been appropriated. Given the emergency nature of the situation in many public housing projects, it is important that this program get off the ground as soon as possible. I therefore am pleased that this bill would, in effect, fund the program at its full authorized level.

Mr. President, the House-passed supplemental appropriations bill also calls for funding security in public housing, but does so by earmarking \$8 million of operating subsidies for "security assistance." I am pleased that the House also recognized the need for this kind of assistance. However, I want to express my strong disagreement with such an earmark approach and urge that the conferees to the bill include language to ensure that this funding is distributed pursuant to the Public Housing Drug Elimination Act.

There are several reasons why the mechanism provided in the PHDEA is superior to the House's earmark approach. First, the PHDEA distribution mechanism is much better targeted than the performance funding system used to distribute operating subsidies. The PFS does not target assistance to those PHA's with the greatest needs. This is partly because the PFS formula is based on PHA needs in the mid-seventies, before the drug problem exploded in many housing projects. Thus, under the House language, those PHA's with real needs will not get enough, while those without similarly pressing needs still would get a portion of these scarce resources.

As a practical matter, the House's \$8 million earmark would be distributed to so many housing authorities that the amount available to each PHA will be minimal. By contrast, the PHDEA targets money to PHA's with the greatest need. If properly funded, it offers the hope that money for authorities with serious drug problems will be sufficient to make a real difference.

A second reason why the PHDEA is a better mechanism for distributing antidrug money, than the PFS is that the PHDEA is a Competitive Grant Program. By forcing PHA's to compete for funds, and evaluating their proposals based on the quality of their antidrug plans, the PHDEA encourages development of innovative antidrug programs that can be usefully replicated at other housing authorities. By contrast, simply distributing funding under a formula provides no incentives for PHA's to develop new and innovative approaches for fighting drugs.

Another advantage of the PHDEA over the House's earmark approach is

that the PHDEA gives HUD specific guidelines, that have already been approved by the Congress, over the proper uses of antidrug money. The earmark provided in the House bill is drafted ambiguously. However, it appears to place unwise limits on the use of earmarked funds. For example, the PHDEA specifically provides that funding can be used by resident management corporations for drug abuse prevention programs. Yet this probably would not be an eligible use of funding under the House's earmark language, which refers only to "security assistance".

It makes little sense, in my view, to adopt the vague language proposed in the House bill when the PHDEA already establishes specific guidelines for an antidrug program and when regulations to implement the PHDEA are almost ready at HUD. PHDEA already establishes procedures for grant applications, the criteria used in evaluating applications, and the eligible uses for the funding.

I would also note, Mr. President, that my view about the preferability of funding antidrug programs through the PHDEA, rather than earmarking operating subsidies, has received strong support from the National Association of Housing and Redevelopment Officials, the respected organization that represents public housing officials around the country.

Also, I want to express my satisfaction at the inclusion in this bill of language I had sought to approve the release of so-called DeWilde funds. The release of these funds will mean about \$3.2 million annually for affordable housing in New Jersey, over a period of 40 years. That is a lot of money, and it will make a real difference in the lives of thousands of New Jerseyans.

Mr. President, just yesterday I testified at a hearing of the Housing Subcommittee on the need to increase the Federal commitment for affordable housing. This Nation is facing a housing crisis. Up to 3 million people are homeless. Millions more live in substandard conditions. For too many Americans, home ownership has become an impossible dream.

It is time, Mr. President, to make housing a national priority. The funding provided in this bill for housing is a step in the right direction. I want to thank Senator MIKULSKI, the Chair of the Subcommittee on VA, HUD, and Independent Agencies, for her assistance in securing these much-needed resources.

REFUGEE AND ENTRANT ASSISTANCE

Mr. CRANSTON. Mr. President, I would like to take this opportunity to express my serious concern regarding a provision contained in H.R. 2072 which would include Nicaraguan entrants within the definition of "refugee" under the Immigration and Natu-

ralization Act. The committee's report explains that this change would permit Nicaraguans to be considered in the allocation of funds under the refugee Targeted Assistance Program [TAP]. I understand that this provision is intended to direct TAP resources to those areas where Nicaraguan political asylees are currently residing. Because I believe this provision is ill-conceived and is inconsistent with the policies set forth in the Refugee Act of 1980, I urge that it be deleted from H.R. 2072 in conference.

Let me say at the outset, Mr. President, that I am not opposed to providing Federal support to local communities for the delivery of services to political asylees. In fact, in this Congress I am cosponsoring legislation, S. 441, which would make funds authorized under the Immigration Reform and Control Act for immigration emergencies available to localities which are impacted by substantial increases in aliens applying for political asylum. I'd also like to point out that there are more political asylees making their home in Los Angeles County, CA, than in any other place in the country.

My problem with the particular provision contained in H.R. 2072, Mr. President, is that it seeks to address the needs of a specific group of political asylees—Nicaraguans—in the context of a program which was not intended to meet their needs.

The Targeted Assistance Program is one component of refugee assistance programs which are authorized under the Refugee Act of 1980. That act provides a procedure for the annual admission of refugees into the United States, and authorizes Federal assistance to resettle those refugees and to promote their self-sufficiency. The total annual number of refugee admissions and the allocation of these numbers among regions of the world and/or refugee groups are determined at the beginning of each fiscal year by the President after consultation with Congress. Funding decisions regarding refugee resettlement programs should correlate with those admission numbers. Primarily due to the refugee crisis in Indochina and United States interests in that area, this region has admitted large numbers of refugees since the enactment of the Refugee Act. The Targeted Assistance Program has provided an especially important service to this population because it has allowed local governments to offer educational and training programs designed to lead to the economic and social self-sufficiency of these refugees.

This process which I have just explained, Mr. President, contrasts with the situation for those seeking political asylum in this country. Political asylum is granted on a case-by-case basis. Thus, the funding decisions which are made for refugee pro-

grams—which should correlate with refugee admissions—have never taken political asylees into consideration.

Let me reiterate, Mr. President, that under the Refugee Act of 1980 our admissions policies for refugees is distinct from our policies regarding political asylees. This distinction is crucial with regard to the provision contained in H.R. 2072 because funding for refugee programs is not adequate for those intended to be served, and yet H.R. 2072 proposes allocating very limited refugee resources based on a population—political asylees—which have never been included in funding calculations.

California has especially felt the burden of limited Federal resources for refugees. For example, in Los Angeles County TAP funding per refugee arrival has fallen from \$1,362 in fiscal year 1983, to \$171 in fiscal year 1988. Additionally, TAP funds appropriated for fiscal year 1989 are currently being held up pending the finalization of a new allocation formula proposed by the Office of Refugee Resettlement of the Department of Health and Human Services and, as a result, a number of Targeted Assistance Programs have been terminated. Given the problems with securing adequate funding for Targeted Assistance Programs, and the fact that President Bush has proposed eliminating this program in his 1990 budget, it makes no sense at all to propose allocating very limited TAP resources to accommodate an even larger population than that currently served.

As I said previously, I support Federal assistance for local communities providing services to political asylees. However, I do not believe that the provision contained in H.R. 2072 which would allocate Targeted Assistance funds to counties receiving Nicaraguan entrants is the right solution.

Additionally, Mr. President, I would like to point out that there is no justification for singling out Nicaraguan entrants—as opposed to Salvadoran or other Central or South American entrants seeking political asylum in this country—for purposes of determining the allocation of TAP funds. As I stated before, more political asylees make their home in California than in any other State in the Nation. If we are going to establish a precedent of allocating resources for refugee programs based on the numbers of people seeking political asylum, then fairness dictates that we do so for all political asylees instead of singling out asylees from a specific country.

For all of these reasons, Mr. President, the provision contained in H.R. 2072 represents bad policy. Not only is the provision inconsistent with the policies set forth in the Refugee Act of 1980, it clearly would result in a drain of resources away from areas where

there is a demonstrated need for TAP services. While this provision seeks to resolve a problem caused by the recent influx of Nicaraguan entrants, it is clear that it seeks to do so in such a way that more problems will be created than solved.

Mr. President, when H.R. 2072 is considered in conference, I urge the deletion of this particular provision.

Mr. MURKOWSKI. Mr. President, I am pleased to rise in support of this measure which would, among other things, provide for fiscal year 1989 supplemental appropriations for the Department of Veterans' Affairs.

VETERANS' BENEFITS

I am particularly pleased that the appropriation includes \$24.9 million for the general operating expenses [GOE] account. This account is the source of funds for the salaries of the Veterans' Benefits Administration [VBA] employees who actually deliver to veterans the benefits promised by the Congress. Without these funds, the already unsatisfactory level of backlogs and delays in processing veterans' benefit claims would continue to increase. Without these funds, the Home Loan Guaranty divisions of VA regional offices would be unable to perform the cost-effective operations necessary to reduce the enormous and continuing losses of the Veterans' Home Loan Guaranty Program.

The appropriation also includes over \$700 million necessary to fund the cost-of-living adjustment [COLA] enacted last year for service connected disabled veterans' and survivors' benefits. Funding this COLA is an inescapable obligation of the Congress.

The \$120 million allocated for the loan guaranty revolving fund illustrates that the problems in this troubled program remain unsolved. The appropriation is necessary. In its absence the program, essential to Americans' homebuying veterans as well as the housing and housing finance industries that serve them, would grind to a halt. It is unthinkable that the Congress would allow such an outcome. At the same time the appropriation reminds us that without program administration and policy reform this vital benefit will continue to be a bleeding wound in the side of the veterans' benefits account.

The readjustment benefits account funds the veterans' education and vocational rehabilitation programs our veterans depend upon to ease their transition from uniformed to civilian life. The \$22 million in the supplemental appropriation will ensure VA is able to pay the education benefits veteran students depend upon as they prepare for their future.

VETERANS' MEDICAL CARE

I am extremely pleased that the pending measure contains appropriations for VA's medical-care account. Specifically, this bill provides \$340 mil-

lion in this fiscal year for veterans' medical care.

On January 31, 1989, I, together with 19 of my Republican colleagues, sent a letter to the President bringing to his attention the funding problems facing VA and requesting that he consider this problem when developing his budget recommendations. Of course, the President deserves our thanks as well as the thanks of America's veterans for sending the request to the Congress.

I also applaud the efforts of VA Secretary Derwinski who worked diligently on obtaining additional funds for veterans' medical care. Without the Secretary's hard work I don't believe we would have the bill before us today.

It is my understanding that this measure will permit VA to achieve a medical care staffing level of 194,740 full-time equivalent employees by the end of this fiscal year. This was the level mandated by Congress for fiscal year 1989. As a result of additional staff, VA will be able to treat more veterans. Of course, the money would also be used to purchase new equipment and repair facilities.

CONCLUSION

I urge my colleagues in the Senate and House to act quickly to resolve differences between the two bills. It is critical that VA receive these funds immediately. I remind my colleagues that speed is important because only 4 months remain in fiscal year 1989. If these funds are to be effectively used by VA it is important that the dollars become available as soon as possible. This is particularly true for veterans medical care. In this account, a majority of the funds are used for staffing—that is, hiring doctors, nurses, pharmacists, and the like—and it is very difficult to hire these individuals in a short period of time.

This is also true for GOE funding. Until the bill is enacted VA employees face the specter of the furloughs or layoffs which could be imposed in order to keep VA personnel spending within the level of funds now available. If spending constraints were to compel such drastic measures the true cost would be born by the veterans who, even as the Senate debates, have already endured unacceptable delays in VA action on their claims.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2072) as amended, was passed.

Mr. BYRD. Mr. President I move to reconsider the vote by which the bill, as amended, was passed.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I move that the Senate insist on its amendments and request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint conferees.

The motion was agreed to, and the Presiding Officer appointed Mr. BYRD, Mr. INOUE, Mr. HOLLINGS, Mr. JOHNSTON, Mr. BURDICK, Mr. LEAHY, Mr. SASSER, Mr. DECONCINI, Mr. BUMPERS, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mr. REID, Mr. ADAMS, Mr. FOWLER, Mr. KERREY, Mr. HATFIELD, Mr. STEVENS, Mr. MCCLURE, Mr. GARN, Mr. COCHRAN, Mr. KASTEN, Mr. D'AMATO, Mr. RUDMAN, Mr. SPECTER, Mr. DOMENICI, Mr. GRASSLEY, Mr. NICKLES, and Mr. GRAMM as conferees on the part of the Senate.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. Senator BYRD.

Mr. BYRD. Mr. President, I thank my distinguished colleague, Senator HATFIELD, the ranking Republican on the committee, for the steadfast support that he has given, in all of the steps, from the hearings to markup, to managing of the bill on the floor, and the final action on the bill. There has never been any question as to where he stood. He gave his support. His support was effective, and I appreciate this kind of friendship and teamwork and cooperation.

I also thank the other members of the committee on both sides of the aisle. There were some tough votes, and I was pleased to see the amendments of the committee on both sides stand pretty much together. We show great unity in the committee, and we also received good support from the Senators on both sides of the aisle, who are not members of the committee. I thank Senator BENTSEN and Senator PACKWOOD, the chairman and the ranking member of the Finance Committee, for the excellent support that they gave in beating down the amendments, which did not need to go on this bill. They would have been additional baggage; they would have been very difficult to handle in conference. I think we are probably in for a pretty tough conference as it is.

I thank all the other members of the Finance Committee who supported their chairman and their ranking member and other Members of the Senate.

This is the first appropriation bill that I have handled on the floor since I became the chairman of the committee.

I am very grateful for the kind of support that has been shown by the members of the committee, by the leadership, and by the Senate as a body on both sides of the aisle.

I thank, also, the members of the staff. There are outstanding members this committee staff. Jim English is the director. Terry Sauvain is the deputy director, and Keith Kennedy is the ranking staff director. And these staff people worked together on both sides of the aisle. That helps us immensely. They clear out the brush and make it possible for us to move ahead effectively and expeditiously.

I particularly appreciate the work of our full committee staff: our chief clerk, Mary DeWald, Jack Conway, Janelle Gross, Bob Putnam, Marsha Berry, Rebecca Roberts-Malamis, Dick Voelker and Anita Skadden, as well as others who worked to resolve particular issues that arose throughout consideration of the bill including Tim Leeth, Carol Mitchell, and Dick D'Amato. The entire printing staff also deserve great credit for their work on the bill. These and all other staff people on every subcommittee have worked long hours, many, many days and evenings. And I am very grateful, more so than I can express my gratitude.

Finally, I want to thank Barbara Videnieks, my chief of staff, and Melissa Wolford of my staff for their input on many of the issues involved in the bill. As usual, their assistance was most helpful.

So I think we are off to a good start, and I am optimistic about our prospects in conference. We are not unaccustomed to doing some hard work in conferences, and I look forward to bringing back a conference report to the Senate in due time.

THE PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, this is a rather historic event. I am sure that as the Senator from West Virginia has launched the first volume of the history of the Senate that this will merit a place in the following volumes because the Senator from West Virginia has not only served this Senate as a party whip, as a majority leader, as a minority leader, as a majority leader again, as the President pro tempore of the Senate, but as indicated, this is the first now of the appropriations bills under his chairmanship, chairman of the Senate Appropriations Committee.

Mr. President, I suppose after one has a decade or two in the Senate, one tends to make comparisons and contrasts. Senator BYRD is the fifth chairman of the Appropriations Committee I have had the privilege of serving under and every chairman has his unique style and unique talents as we are all blessed with talents, and I have seen the Appropriations Committee

through different periods where there has been leadership that has emphasized one form or one style or something.

The minute you walk into that committee room, you know who the chairman is, and you know that people are there to do one thing, the public business. There may be other places in the cloakroom and elsewhere where there is time for fellowship and visitation as we all have that kind of glue that holds this institution together, but when you come to the Appropriations Committee today, the gavel and the authority of that gavel and the voice behind that gavel highly communicates one purpose, one objective: We are here to do business and we are to do it efficiently, expeditiously and fairly. No one is cutoff. No one is in any way circumscribed from exercising his full rights as a full-fledged member of that committee.

The chairman has only one vote. But the chairman also knows that to make the business of this committee move, he has to have 15 votes on every question, and, Mr. President, I think that people do not fully appreciate the fact that this is the largest committee in the Senate. It is probably one of the most diverse committees in the Senate.

You have ranges of political philosophy on both sides of that table, and I do not recall when we have had a vote down the party line because the chairman has to orchestrate a majority of 15 on every single one of those votes and you will find a combination of Republicans and Democrats, minority and majority, and what is the combination on one issue will be a totally different combination on the next issue.

So it is not only the largest committee but it is, as I say, a very diverse committee, and yet I want to commend the chairman. It is a quiet committee. I tell you I have been in that committee when there has been a lot of turmoil and there were times when you were not quite sure who had the gavel. Not now. This committee is under very strong leadership and we are all grateful.

I just want to say that this is a historic moment. It is the chairman's first bill, and I think all Members of the Senate are appreciative of the fact that this bill could have been bogged down much more. We could have been here in all-night sessions as we have on previous occasions or we could have been here many more days and not only did the strength of leadership personify itself in the committee but here on the floor, and I am looking forward to conference with ambivalence.

The issues are tough. The conference will be testy, and I am only hoping at this point that our chairman will chair the conference because

that gives me then the other sense of going to that conference with confidence that we will complete it in an orderly and in a very expeditious fashion based on the leadership and the way in which he has chaired our committee here.

I am proud to be the ranking minority member. Needless to say, Mr. President, I would like to be chairman. I enjoyed being chairman much more than being the ranking minority member, but on the other hand, I merely want to say I can think of no one I would rather be a ranking minority member of a committee with than Senator BYRD.

I thank him for his courtesies and his kind remarks.

Mr. BYRD. Mr. President, I thank my friend. I hope that the time will not come while I am on the committee that the distinguished Senator from Oregon will be the chairman, but I can say this, that if that time does come, he has certainly demonstrated to me the kind of support and cooperation that I will try to emulate in that unfortunate event, but let me say seriously that what he has said is very gratifying and I will certainly do everything I can to justify the faith and confidence that Senator HATFIELD has expressed in me.

I inadvertently forgot a moment ago to express thanks to the majority leader and to the Republican leader. They have demonstrated strong leadership, strong support, where it was needed and in particular with reference to the amendments that were under the jurisdiction of the Finance Committee. The leadership worked hard on both sides of the aisle to develop time agreement, and I am very grateful.

Mr. WARNER. Mr. President, I wish to add my congratulations to the distinguished senior Senator from West Virginia for the manner in which he handled this bill. As I stand here tonight in the well representing the Republican leader, it is almost as if it has been forever listening to him close up the Senate. It is remarkable how this fine Senator can handle so many tasks. We appreciate our privilege to serve with him in the Senate.

Mr. BYRD. Mr. President, will the Senator allow me to express my thanks and say that the friendship and the respect, may I say, is mutual.

Mr. WARNER. I thank my distinguished friend and colleague.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business for not to exceed 10 minutes, and that Senators may speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 5:27 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the text of the concurrent resolution (H. Con. Res. 136) expressing the sense of the Congress on the movement for democracy in China, with an amendment, in which it requests the concurrence of the Senate, and that the House agrees to the amendment of the Senate to the preamble of the concurrent resolution, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has agreed to the concurrent resolution (S. Con. Res. 26) urging first asylum countries of the Association of Southeast Asian Nations [ASEAN] to reinstate the practice of providing refuge to all asylum-seekers from Vietnam, and for other purposes, with amendments, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bill, without amendment:

S. 767. An act to make technical corrections to the Business Opportunity Development Reform Act of 1988.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 31. Concurrent resolution expressing the sense of the Congress that Buffalo, NY, should host the 1993 summer World University Games.

The message further announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1415. An act to amend chapter 37 of title 38, United States Code, with respect to the veterans' home loan program carried out under such chapter; and

H.J. Res. 276. Joint resolution designating September 14, 1989, as "National D.A.R.E. Day."

MEASURES REFERRED

The following bill and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1415. An act to amend chapter 37 of title 38, United States Code, with respect to the veterans' home loan program carried out under such chapter; to the Committee on Veterans' Affairs.

H.J. Res. 276. Joint resolution designating September 14, 1989, as "National D.A.R.E. Day"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance, without amendment and with a preamble:

S. Res. 119. A resolution concerning the 1986 agreement between the United States and Japan regarding the Japanese semiconductor market.

By Mr. BENTSEN, from the Committee on Finance, without amendment and with a preamble:

S.J. Res. 151. An original joint resolution to honor the U.S. Customs Service on the 200th anniversary of its establishment.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance:

John Michael Farren, of Connecticut, to be Under Secretary of Commerce for International Trade;

Gerald L. Olson, of Minnesota, to be an Assistant Secretary of Health and Human Services;

Bryce L. Harlow, of Virginia, to be a Deputy Under Secretary of the Treasury; and

Kenneth W. Gideon, of Virginia, to be an Assistant Secretary of the Treasury.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MOYNIHAN:

S. 1134. A bill to provide for the suspension of duty on castor oil and its fractions; to the Committee on Finance.

S. 1135. A bill to amend the Harmonized Tariff Schedule of the United States with respect to low fuming brazing rods; to the Committee on Finance.

S. 1136. A bill to reduce that rate of duty applicable to certain modeling pastes; to the Committee on Finance.

By Mr. DANFORTH:

S. 1137. A bill to temporarily suspend the duty on 4-fluoro-3-phenoxy benzaldehyde; to the Committee on Finance.

S. 1138. A bill to temporarily suspend the duty on 0,0-dimethyl-S-[(4-oxo-1,2,3-benzotriazin-3-(4H)-yl)methyl] phosphorodithioate; to the Committee on Finance.

By Mr. ROTH (for himself, Mr. LUGAR, Mr. FOWLER, Mr. GLENN, Mr. SYMMS, and Mr. SIMON):

S. 1139. A bill to provide for equality of State taxation of domestic and foreign corporations; to the Committee on Finance.

By Mr. MITCHELL (for himself, Mr. LAUTENBERG, and Mr. BAUCUS):

S. 1140. A bill to provide that Federal facilities meet Federal and State environmental laws and requirements and to clarify that such facilities must comply with such environmental laws and requirements; to the Committee on Environment and Public Works.

By Mr. GRAHAM (for himself, Mr. CRANSTON, and Mr. MURKOWSKI):

S. 1141. A bill to direct the Secretary of the Army to set aside an appropriate area within Arlington National Cemetery for the unmarked burial of cremated remains; to the Committee on Veterans' Affairs.

By Mr. BENTSEN:

S. 1142. A bill to establish and evaluate four military-style boot camp prisons within the Federal prison system as a 4-year demonstration program; to the Committee on the Judiciary.

By Mr. GORE:

S. 1143. A bill to authorize the construction of a dry reservoir in Wilson County, TN, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KERRY (for himself, Mr. BOSCHWITZ, and Mr. WIRTH):

S. 1144. A bill to authorize and direct the U.S. Executive Director of the International Monetary Fund to promote staffing and policy changes with respect to the management of natural resources, and for other purposes; to the Committee on Foreign Relations.

By Mr. MATSUNAGA:

S. 1145. A bill to reestablish the Advisory Committee on Native-American Veterans; to the Committee on Veterans' Affairs.

S. 1146. A bill to require the Secretary of Veterans' Affairs to conduct a pilot program providing for the Secretary to make direct housing loans to eligible native-American veterans for the purchase of housing on certain trust lands and certain communally owned lands; to the Committee on Veterans' Affairs.

By Mr. DECONCINI (for himself, Mr. GRASSLEY, Mr. LAUTENBERG, Mr. D'AMATO, Mr. DIXON, Mr. MCCLURE, Mr. FOWLER, Mr. LEAHY, Mr. MURKOWSKI, Mr. PELL, Mr. BRADLEY, Mr. JEFFORDS, Mr. PRESSLER, Mr. ROCKEFELLER, Mr. SHELBY, Mr. REID, Mr. SANFORD, Mr. EXON, Mr. WIRTH, Mr. GLENN, Mr. INOUE, Mr. SARBANES, Mr. KOHL, Mr. GORE, Mr. COCHRAN, Mr. WARNER, Mr. BIDEN, Mr. ROBB, Mr. WILSON, Mr. MITCHELL, Mr. HEINZ, Mr. METZENBAUM, Mr. DODD, Mr. DOLE, Mr. BOREN, Mr. LEVIN, Mr. CHAFFEE, Mr. MACK, Mr. SIMON, Mr. KENNEDY, Mr. WALLOP, Mr. BURDICK, Mr. BREAUX, Mr. RIEGLE, Mr. DASCHLE, Mr. MOYNIHAN, Mr. CONRAD, Mr. SASSER, Ms. MIKULSKI, Mr. NUNN, Mr. GRAHAM, Mr. BAUCUS, Mr. BINGAMAN, Mr. HOLLINGS, Mr. FORD, Mr. BUMPERS, Mr. ADAMS, Mr.

JOHNSTON, Mr. HATCH, Mr. KERRY, Mr. DURENBERGER, Mr. LIEBERMAN, Mr. BOSCHWITZ, Mr. ROTH, Mr. SIMPSON, and Mr. COATS):

S.J. Res. 150. Joint resolution to designate August 1, 1989, as "Helsinki Human Rights Day"; to the Committee on the Judiciary.

By Mr. BENTSEN, from the Committee on Finance:

S.J. Res. 151. An original joint resolution to honor the U.S. Customs Service on the 200th anniversary of its establishment; placed on the calendar.

By Mr. PRYOR (for himself, Mr. ADAMS, Mr. BENTSEN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BRYAN, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. COCHRAN, Mr. COHEN, Mr. CONRAD, Mr. CRANSTON, Mr. D'AMATO, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DURENBERGER, Mr. GARN, Mr. GLENN, Mr. GORE, Mr. GRASSLEY, Mr. HEINZ, Mr. INOUE, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. LIEBERMAN, Mr. LUGAR, Mr. McCURE, Mr. METZENBAUM, Ms. MIKULSKI, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NUNN, Mr. PACKWOOD, Mr. PELL, Mr. PRESSLER, Mr. REID, Mr. ROBB, Mr. ROCKEFELLER, Mr. SASSER, Mr. SHELBY, Mr. SIMPSON, Mr. STEVENS, Mr. THURMOND, Mr. WARNER, Mr. WILSON, and Mr. WIRTH):

S.J. Res. 152. Joint resolution to designate the last full week of October, October 22 through October 28, 1989, and the last full week of October thereafter as "National Adult Immunization Awareness Week"; to the Committee on the Judiciary.

By Mr. ROCKEFELLER (for himself, Mr. HOLLINGS, Mr. BURNS, Mr. PRESSLER, Mr. GORE, Mr. BRYAN, Mr. DANFORTH, Mr. INOUE, Mr. BENTSEN, Mr. STEVENS, Mr. KASTEN, Mr. KERRY, Mr. ROBB, Mr. EXON, Mr. LOTT, Mr. GORTON, Mr. SHELBY, Mr. REID, Mr. PRYOR, Mr. BRADLEY, Mr. MACK, Mr. D'AMATO, Mr. WILSON, Mr. DECONCINI, Mr. HEFLIN, Mr. SYMMS, Mr. SASSER, Mr. MURKOWSKI, Mr. RIEGLE, Mr. COHEN, Mr. GARN, Mr. DASCHLE, Mr. PELL, Mr. MITCHELL, Mr. BOND, Mr. THURMOND, Mr. SANFORD, Mr. DURENBERGER, Mr. CRANSTON, Mr. COCHRAN, Mr. JEFFORDS, Mr. LAUTENBERG, and Mr. SIMPSON):

S.J. Res. 153. Joint resolution designating the third week in May 1990 as "National Tourism Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DANFORTH:

S. 1137. A bill to temporarily suspend the duty on 4-fluoro-3-phenoxy benzaldehyde; to the Committee on Finance;

S. 1138. A bill to temporarily suspend the duty on 0,0-dimethyl-S-[(4-oxo-1,2,3-benzotriazin-3-(4H)-yl)methyl] phosphorodithioate; to the Committee on Finance.

SUSPENDING THE DUTIES ON CERTAIN CHEMICALS

● Mr. DANFORTH. Mr. President, today I am introducing two miscellaneous tariff bills. The first would suspend temporarily the duty on 4-fluoro-

3-phenoxy benzaldehyde. The second bill would suspend temporarily the duty on 0,0-dimethyl-S-[(4-oxo-1,2,3-benzotriazin-3-(4H)-yl)methyl] phosphorodithioate.

I ask unanimous consent that the text of these bills be printed in full in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1137

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 4-FLUORO-3-PHENOXY BENZALDEHYDE.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.07 4-Fluoro-3-phenoxy benzaldehyde (provided for in subheading 2913.00.10) ... Free ... No change ... No change ... On or before 12/31/92."

SEC. 2. EFFECTIVE DATE.

The amendment made by this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

S. 1138

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 0,0-DIMETHYL-S-[(4-OXO-1,2,3-BENZOTRIAZIN-3-(4H)-YL)METHYL] PHOSPHORODITHIOATE.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.07 0,0-Dimethyl-S-[(4-oxo-1,2,3-benzotriazin-3-(4H)-yl)methyl] phosphorodithioate (provided for in subheading 2933.90.18) ... Free ... No change ... No change ... On or before 12/31/92."

SEC. 2. EFFECTIVE DATE.

The amendment made by this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.●

By Mr. ROTH (for himself, Mr. LUGAR, Mr. FOWLER, Mr. GLENN, Mr. SYMMS, and Mr. SIMON):

S. 1139. A bill to provide for equality of State taxation of domestic and foreign corporations; to the Committee on Finance.

DOMESTIC CORPORATION TAXATION EQUALITY ACT OF 1989

● Mr. ROTH. Mr. President, I am pleased today to introduce for myself and Senators FOWLER, LUGAR, GLENN, SYMMS, and SIMON a bill to provide for equality of State taxation of domestic and foreign corporations and to bring uniformity and fairness to this country's taxation of income earned overseas by U.S. corporations and their affiliates. A similar bill, H.R. 1390, was introduced in the House of Representatives by Mr. FRENZEL and 13 other Representatives, 9 of whom are members of the Committee on Ways and Means.

This body has recently spent a considerable amount of time debating the policies of this country that impact on the ability of U.S. industry to compete in the international marketplace. Indeed, U.S. international trade competitiveness is a national priority. The bill we are introducing today recognizes that the United States is unique in that both Federal and State tax policies can affect that competitiveness.

State governments in the United States have traditionally used a formula to ascertain how much of the income of a single corporation doing business in more than one State should be taxed by each State. Most often, that formula is the amount of the corporation's payroll, sales, and property in the taxing State compared to all States in which it does business. About one-half of the States apply this method to multicompany groups operating beyond their boundaries. This method is called the unitary method. When the unitary method is carried one step further and overseas affiliates are included, the extension of unitary taxation is known as the worldwide unitary combination. Neither the Federal Government nor any other country uses the worldwide unitary combination. In fact, the Federal Government has agreed not to use worldwide unitary taxation in every income tax treaty to which it is a party.

There are compelling arguments that the worldwide unitary combination is a seriously flawed method of sourcing income for State corporate income tax purposes. Studies show that when worldwide factors are used, the formula results in foreign sourced income being attributed to domestic sources, resulting in double taxation to the corporation.

This issue carries trade implications as our major trading partners, notably the British, have threatened sanctions in the past due to States' continued use of this method.

Confronted with threats from our trading partners and proposed Federal legislation in the 99th and 100th Congress, the number of States using this

method has declined from 12 to 4. Of the remaining four—California, Alaska, North Dakota, and Montana—all but Alaska have enacted laws, which, when they take effect in 1988 and 1989, will partially but not completely solve the problems posed by its use. For example, the changes made by California still do not provide sufficient relief for certain U.S. corporations, fail to avoid double taxation of their foreign source income, and put them at a disadvantage in their ability to compete with foreign corporations.

In California, all the income of U.S. corporations which have more than 80 percent of their payroll, property, and sales outside the United States is included in the tax basis upon which is computed the State's apportioned share of taxable income of domestic corporations. On the other hand, the income of foreign corporations which have less than 20 percent of their payroll, property, and sales in the United States is excluded from such taxation.

In other words, a foreign corporation with less than 20 percent of its business activity within California escapes State taxation entirely, while a similar U.S. corporation must pay foreign and State tax upon all its income without any credit or deduction given for foreign taxes already paid on its income earned outside the United States. Such a result is clearly discriminatory and anticompetitive.

In an April 8, 1987 letter to Governor Deukmejian, then Assistant Secretary of the Treasury for Tax Policy J. Roger Mentz made it clear that:

There is no valid policy justification for California's subjecting two taxpayers, for example, one with a Delaware subsidiary operating primarily abroad, the other whose foreign operations are conducted through a French subsidiary, to different tax regimes; and * * * that in this era of trade competitiveness, the potential for inflicting higher tax burdens on corporations with 80/20 operations, as opposed to foreign subsidiary operations, should be avoided.

The legislation we are introducing today will allow the States to continue to apply unitary taxation on most domestic corporations and some foreign corporations. However, it will restore tax equality between U.S. and foreign 80/20 corporations by providing that the States may not impose tax on a worldwide unitary basis on a U.S. corporation of which the average of its U.S. payroll, property, and sales compared to its total payroll, property, and sales is less than 20 percent.

The bill will also recognize the double taxation inherent in State taxation of dividends U.S. corporations receive from their overseas affiliates. It provides that the States may tax an equitable amount of such dividends—either through allowing an offsetting deduction or exclusion of at least 85 percent of such dividends, or by providing for an exemption or exclusion from tax for that portion of the divi-

dend that effectively bears no Federal income tax by reason of the foreign tax credit mechanism.

It should be understood that this limitation of the use of the worldwide unitary income taxation is not a violation of States' rights. The legislation will not change State tax jurisdiction. States will maintain taxing jurisdictions free to tax all income earned within their borders. The legislation does not affect the level or rate of State tax. The States are free to tax at any rate.

Given that the vast majority of States, the Federal Government or any other country does not use the worldwide unitary combination, a requirement of uniformity is not too much to ask. After all the consideration and debate regarding the ability for U.S. corporations to compete on an equal basis with their overseas competitors, we would be remiss if we allowed this major inefficiency in our tax system to continue.

Mr. President, I ask unanimous consent that the bill be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1139

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Domestic Corporation Taxation Equality Act of 1989".

SEC. 2. STATE TAXATION OF FOREIGN INCOME.

(a) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section.

"SEC. 7523. STATE TAXATION OF FOREIGN INCOME.

"(a) STATE USE OF WORLDWIDE UNITARY METHOD PROHIBITED.—No State shall impose tax on any taxpayer on a worldwide unitary basis. Notwithstanding the foregoing, this subsection shall not preclude any State from permitting a taxpayer to be taxed on a worldwide unitary basis pursuant to an unconditional election by such taxpayer.

"(b) STATE TAXATION OF FOREIGN-SOURCE DIVIDENDS.—No State shall require the inclusion in the income base upon which State income tax of a corporation is calculated of more than an equitable portion of any dividend received from another corporation, other than a corporation described in one of the subparagraphs of subsection (c)(2). For purposes of this subsection, a State shall not be considered to include in the income base more than an equitable portion of dividends described in the preceding sentence if it—

"(1) excludes from the income base at least 85 percent of such dividends; or

"(2) excludes from the income base the portion of the dividend that effectively bears no Federal income tax after application of the foreign tax credit.

This subsection shall not be construed to permit State taxation of any dividend not subject to State taxation prior to enactment of this section.

"(c) DEFINITIONS.—

"(1) INCOME TAX.—For purposes of this section, the term 'income tax' shall include any State franchise or other tax which is imposed upon or measured by the income of the taxpayer.

"(2) WORLDWIDE UNITARY BASIS.—For purposes of this section, the term 'worldwide unitary basis' means that in computing its State income tax liability a corporation includes in the income base on which the tax is calculated any share of the income of any corporation other than a corporation that is a member of the same controlled group of corporations and is:

"(A) a domestic corporation (excluding a corporation that has made an effective election under section 936);

"(B) a corporation described in section 922;

"(C) a corporation organized in the Commonwealth of Puerto Rico, Guam, American Samoa, or the United States Virgin Islands;

"(D) any foreign corporation if (i) such corporation is subject to State income tax in at least one State by virtue of its business activities in that State, and (ii) the average of the percentages of such corporation's property (based on its aggregate original cost), compensation payments made for personal services (determined for its most recent Federal taxable year), and sales (determined for its most recent Federal taxable year) that are assignable to 1 or more locations in the United States is at least 20 percent; or

"(E) any foreign corporation described in subsection (c)(3).

"(3) CERTAIN FOREIGN CORPORATIONS.—A foreign corporation is described in this subparagraph if such corporation—

"(A) is a member of a controlled group of corporations;

"(B) either carries on no substantial economic activity or makes at least—

"(i) 50 percent of its sales,

"(ii) 50 percent of its payments for expenses other than payments for intangible property; or

"(iii) 80 percent of all of its payments for expenses,

to one or more corporations that are described in subparagraphs (A) through (D) of paragraph (2) and that are within the controlled group of corporations referred to in subparagraph (A) of this paragraph; and

"(C) under standards established in regulations to be prescribed by the Secretary, is not subject to substantial foreign tax on its net income.

"(4) CERTAIN DOMESTIC CORPORATIONS TREATED AS FOREIGN CORPORATIONS.—For purposes of paragraphs (2) and (3), a domestic corporation shall be treated as a foreign corporation if the average of the percentages of such corporation's property (based on its aggregate original cost), compensation payments for personal services (determined for its most recent Federal taxable year), and sales (determined for its most recent Federal taxable year) that are assignable to one or more locations in the United States is less than 20 percent.

"(5) CONTROLLED GROUP.—For purposes of this section, the term 'controlled group' has the same meaning given to such term by section 267(f)(1), except that the determination shall be made without regard to section 1563(b)(2)(C).

"(6) CERTAIN BANK BRANCHES.—For purposes of this section, a domestic branch of a foreign corporation shall be treated as a separate corporation that is incorporated in the United States if such branch is engaged

in the commercial banking business. For purposes of the preceding sentence, a branch is engaged in the commercial banking business if (i) the predominant part of its business consists of receiving deposits or making loans and discounts, and (ii) it is subject to supervision and examination by State or Federal authorities having supervision over banking institutions. The Secretary may issue regulations providing that for purposes of this section domestic branches of foreign corporations in other specified industries shall be treated as separate corporations incorporated in the United States."

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 of such Code is amended by adding at the end thereof the following new item:

"Sec. 7523. State taxation of foreign income.

EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1989.●

By Mr. MITCHELL (for himself, Mr. LAUTENBERG, and Mr. BAUCUS):

S. 1140. A bill to provide that Federal facilities meet Federal and State environmental laws and requirements and clarify that such facilities must comply with such environmental laws and requirements; to the Committee on Environment and Public Works.

FEDERAL FACILITY COMPLIANCE ACT

Mr. MITCHELL. Mr. President, today I am introducing legislation to assure that federally owned hazardous waste facilities are subject to the same enforcement sanctions as other facilities. Such sanctions include State-imposed fees and penalties. This legislation also revives EPA's administrative order authority regarding violations at Federal facilities.

The clarification of sovereign immunity is necessary at this time because the Federal courts are divided on legislative intent. In some circuits such as the ninth circuit, the courts have held that sovereign immunity is not waived. In Maine and Ohio, however, the United States district courts agree that Congress intended and stated clearly that section 6001 of the Solid Waste Disposal Act waives sovereign immunity for Federal facilities.

This is a national issue, but it has particular meaning in Maine. For some time, there has been conflict over whether Portsmouth Naval Shipyard must pay fees and penalties required under State law. The United States District Court for the District of Maine last November issued an opinion that requires the shipyard to pay State fees and penalties.

The need for this legislation is compelling. Federal facilities generate millions of tons of hazardous, radioactive, and mixed waste every year. The General Accounting Office, State attorneys general and the Federal Environmental Protection Agency investigated these facilities and found they represent some of the Nation's most serious hazardous waste compliance problems.

President Bush agreed with this assessment when he stated that "Unfortunately, some of the worst offenders are our own Federal facilities."

Even so, EPA was told under the previous administration that it could not issue administrative orders against these facilities because they were Federal entities. But EPA could issue such orders against private companies who were violating the law.

This situation cannot continue. In Congress we establish national environmental policy. Surely one of the goals of that policy is to assure that the Federal Government avoid contamination of our environment wherever possible.

To help provide us with current information on the status of these facilities, this legislation requires such facilities to conduct an assessment of the facility's compliance with Federal environmental statutes and it requires EPA to conduct an annual environmental inspection.

This legislation is supported by enforcement officials from many States across the country. It is a companion bill to H.R. 1065, which is being considered in the House Energy and Commerce Committee. I applaud my House colleagues for their efforts on this bill and look forward to early action on this legislation in the Senate.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1140

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Facility Compliance Act of 1989."

SEC. 2. (a) FACILITY ENVIRONMENTAL ASSESSMENT.—Each department, agency, and instrumentality of the United States shall perform an assessment of the releases of hazardous substances (including hazardous constituents thereof) from each solid waste management unit at each hazardous substance treatment, storage, or disposal facility owned or operated by the department, agency, or instrumentality after November 19, 1980. Such assessments shall be completed within 12 months after the enactment of this section and shall indicate whether such facility and department, agency, or instrumentality is in compliance with applicable requirements of the Solid Waste Disposal Act, the Comprehensive Emergency Response, Compensation, and Liability Act, the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, and the Toxic Substances Control Act. Such assessments shall be provided to the Environmental Protection Agency and to the State in which the facility is located.

(b) FACILITY INSPECTIONS.—Administrator of the Environmental Protection Agency shall undertake a thorough inspection annually of each facility owned or operated by a department, agency, or instrumentality of the United States to enforce compliance

with the Solid Waste Disposal Act, the Comprehensive Emergency Response, Compensation, and Liability Act, the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, and the Toxic Substances Control Act. Each annual inspection shall include an analysis of comprehensive groundwater monitoring. The records of such inspections shall be available to the public in the same manner as provided in section 3007(b) of the Solid Waste Disposal Act.

SEC. 3. APPLICATION OF CERTAIN PROVISIONS TO FEDERAL FACILITIES.—

(a) IN GENERAL.—Section 6001 of the Solid Waste Disposal Act (42 U.S.C. 6961) is amended—

(1) by inserting "(a) IN GENERAL.—" after "6001.";

(2) in the first sentence, by inserting "and management" before "in the same manner";

(3) by inserting after the first sentence the following: "The Federal, State, interstate, and local substantive and procedural requirements referred to in this subsection include, but are not limited to, all administrative orders and all civil and administrative penalties and fines."; and

(4) by inserting after the second sentence the following: "For purposes of enforcing any such substantive or procedural requirement (including, but not limited to, any injunctive relief, administrative order, or civil or administrative penalty or fine) against any such department, agency, or instrumentality, the United States hereby expressly waives any immunity otherwise applicable to the United States. No agent, employee, or officer of the United States shall be personally liable for any civil penalty under any Federal or State solid or hazardous waste law with respect to any act or omission within the scope of his official duties. An agent, employee, or officer of the United States shall be subject to any criminal sanction (including, but not limited to, any fine or imprisonment) under any Federal or State solid or hazardous waste law, but no department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government shall be subject to any such sanction."

(b) ADMINISTRATIVE ENFORCEMENT ACTIONS.—Such section is further amended by adding at the end the following new subsection:

"(b) ADMINISTRATIVE ENFORCEMENT ACTIONS.—(1) The Administrator may commence an administrative enforcement action against any department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government pursuant to the enforcement authorities contained in this Act. The Administrator shall initiate an administrative enforcement action against such a department, agency, or instrumentality in the same manner and under the same circumstances as an action would be initiated against another person. Any voluntary resolution or settlement of such an action shall be set forth in a consent order.

"(2) No administrative order issued to such a department, agency, or instrumentality shall become final until such department, agency, or instrumentality has had the opportunity to confer with the Administrator."

SEC. 4. DEFINITION.—

(a) PERSON.—Section 1004(15) is amended by adding the following before the period: "and shall include each department, agency, and instrumentality of the United States."

Mr. LAUTENBERG. Mr. President, I join the distinguished majority leader in introducing the Federal Facility Compliance Act of 1989. This legislation is designed to assure greater compliance by Federal facilities with requirements of the Resource Conservation and Recovery Act [RCRA] for management, storage, treatment, and disposal of hazardous and solid wastes.

The primary provisions of the bill would clarify that Federal facilities are to be treated as any other "person" for purposes of RCRA. The bill would further clarify that Federal facilities are subject to all the substantive and procedural requirements of RCRA, including enforcement requirements and sanctions, to which State and local governments as well as private parties are subject. And the bill also makes it clear that EPA can bring administrative enforcement actions against Federal facilities.

The Federal facility hearing I chaired last year, and similar hearings in the House showed the serious problems Federal and State officials have had in obtaining RCRA compliance by Federal facilities. New Jersey's Picatinny Arsenal, although now complying with a Federal facilities compliance agreement, is just one example of a facility designated by EPA as being in significant noncompliance with RCRA. As of April 1, 1989, EPA reported that of 82 Federal RCRA land disposal facilities, 44 were designated as being in significant noncompliance with RCRA.

Despite these problems, the Reagan administration maintained that EPA did not have the authority to bring administrative actions against Federal facilities. Such actions, however, can be brought against private entities. In addition, some courts have misinterpreted the law, and incorrectly held that Federal facilities were protected from State enforcement actions by sovereign immunity. This legislation makes even more clear what the law already states: that Federal facilities should receive no special protections and treatment under RCRA.

The bill also responds to the public accountability problems focused on in the hearing in my subcommittee last year. The bill requires EPA to inspect Federal facilities for compliance with specified Federal environmental laws, and to make records of such inspections publicly available. This requirement will help inform the public about the environmental status of Federal facilities.

Mr. President, I join the majority leader in the hope that this legislation will receive serious consideration as we work on perfecting it in the Committee on Environment and Public Works, and that the measure then receives swift passage in the Senate.

By Mr. BENTSEN:

S. 1142. A bill to establish and evaluate 4 military style boot camp prisons within the Federal prison system as a 4-year demonstration program; to the Committee on the Judiciary.

BOOT CAMP PRISON DEMONSTRATION PROGRAM
ACT OF 1989

● Mr. BENTSEN. Mr. President, anyone who reads the newspapers or watches the nightly news knows that we have a serious crime problem in this country. It has become a staple of the evening news; some kids being led head down into a police station after assaulting a young woman jogging in the park; wealthy investors flanked by their lawyers outside courtrooms, maintaining their innocence—shortly before copping a plea.

There are many theorists seeking to explain why there is so much crime in America that 1 in 30 will be a victim of an act of violence this year. Obviously, part of our response should be to help reassert the importance of the family and fundamental values to keep kids from turning to drugs and crime in the first place. But I also know that we must do a better job of catching criminals, convicting them, and putting them in prison.

Yet, how can we do that effectively when our prisons are so overcrowded that some courts are releasing inmates early? There are more than 600,000 inmates in Federal and State prisons today—135,000 over capacity. And, according to a recent Department of Justice report, nationally we need new prison space at the rate of 800 beds per week. Perhaps most distressing is the fact that about 20,000 inmates are released early each year not because of good behavior but because of prison overcrowding.

We have to respond by building new prisons and expanding the capacity of the penal system. But that is an expensive proposition and, with the large Federal budget deficit, it is imperative that we respond in a cost-effective way. That means turning to innovative alternatives to conventional prison. In my view, that also means taking a close look at boot camp prisons as an alternative.

Mr. President, that is why I am introducing legislation today to create a set of boot camp facilities within the Federal prison system. The need for new prison space is evident, as is the need to expand in a cost effective manner. I think boot camps should be part of our response.

This bill calls for the creation, on a demonstration or pilot program basis, of four military-style boot camp prisons within the Federal prisons system. The boot camps are to be located in four different, unspecified locations around the country, and are to be modeled after the programs currently being operated at the State level. Thus, they will operate under a highly

regimented schedule for the inmates with a focus on strict discipline, physical training and hard work. In my mind that is sound policy—I would rather have these young criminals running laps than running free.

Only first time offenders under the age of 25 convicted of serious but non-violent crimes will be eligible to serve in these boot camp prisons. There are some who think boot camp prisons may be too hard on young inmates. I don't worry much about that. A good dose of discipline and hard labor may be just what these young people need. And, in return for the long hours, hard work, and intense discipline, their sentences will be somewhat shorter than they would otherwise serve. As is the usual case in the State-operated boot camps, this bill provides that the term served will be in the 90-120 days range.

In addition to specifying that the boot camp inmates will follow a strict schedule, my bill also directs the Attorney General to include in the daily boot camp schedule appropriate educational and counseling programs. Surely programs of this nature will complement the disciplinary approach of the boot camps and help reduce the chance of repeat offenses.

A couple of other items about the bill should be noted as well. First, the Attorney General will be required to conduct an evaluation of the boot camp prisons prior to the end of the program's 5-year authorization. He will then report to the Judiciary Committees in both Houses on the efficacy of boot camp prisons as an alternative, including an assessment of their cost effectiveness and their impact on recidivism.

Second, the bill instructs the Attorney General, where feasible, to use closed Federal military installations as boot camp prisons. Information from the Federal Bureau of Prisons indicates that these military installations may be converted to prison facilities at a cost as low as \$2,000 per bed—far below the \$50,000 per bed average cost of prison construction. With potential savings of this magnitude, that is clearly an avenue that we should explore.

Under this legislation, that is what we will do—explore the option of boot camp prisons as an alternative to traditional incarceration. Eight States and some local jurisdictions currently operate boot camp prisons. In 1987, I asked the General Accounting Office to do a study of the State-run boot camp prisons to help determine whether they would work at the Federal level. The study was completed last fall.

Although there are some promising indicators—recidivism in the Mississippi boot camps is about one-third that State's general recidivism rate and op-

erating costs at a boot camp operated by Travis County, TX, are about one-half those for the Texas Department of Corrections—GAO determined last fall that it was too early to make a conclusive determination about the effectiveness of boot camp prisons.

I accept that. But I also think that boot camp prisons harbor enough potential that we should try them out, on a pilot program basis, at the Federal level. We need the kind of information that only hands-on experience can give us, and that is why I am proposing this pilot program.

As I have outlined, boot camp prisons offer us a way to address our crushing prison overcrowding problem in an innovative and effective way. This is an opportunity that we should seize. I hope the rest of my colleagues will join me in supporting this important legislation.●

By Mr. GORE:

S. 1143. A bill to authorize the construction of a dry reservoir in Wilson County, TN, and for other purposes; to the Committee on Environment and Public Works.

SINKING CREEK FLOOD CONTROL ACT OF 1989

● Mr. GORE. Mr. President, today I am introducing legislation to resolve a recurring flooding problem in Lebanon, TN. The Sinking Creek Flood Control Act of 1989 will authorize the U.S. Army Corps of Engineers to construct a dry reservoir for flood control purposes using the resources in its section 205 flood control budget.

On February 14 of this year, flash flooding occurred extensively throughout west and middle Tennessee, causing major damages, evacuations, and one death.

The effect in Lebanon and Wilson County was particularly severe. Estimates of damages there ranged as high as \$1.5 million or more. Road crews in Wilson County were out all night repairing extensive road damages caused as torrential rains washed away asphalt. At McFarland Hospital in Lebanon, 77 patients, many elderly or otherwise in no condition to be moved, were evacuated when flood waters ruined the electrical system, including the emergency generators.

Sinking Creek, which flows under the town square, could not handle the huge amounts of water; and as it overflowed, 50 to 60 businesses were damaged. Some of those businesses sustained major damage. More than 20 residences were evacuated.

And, Mr. President, for one Lebanon family, there was a much greater loss. Mrs. Sophia Payer was swept into the waters of the creek. Her car could not continue through the flood, and she exited the automobile. Despite the best efforts of a courageous Lebanon patrolman, Doug Clark, who tried to reach her through swirling waters that kept pushing him back, she was

drowned. Her body was found several hours later about a quarter of a mile away from where she disappeared from view.

My home town of Carthage, which also suffered flood damages, is not far from Lebanon; and I went to the scene personally to survey the response to the disaster and lend my support to the efforts of local officials. I cannot say enough about the work of the local police and rescue squad, the road department, elected city officials, and the Tennessee Emergency Management Agency. Their work was excellent.

Mr. President, this was a tragic occurrence. But it is all the more tragic because it could have been prevented. The U.S. Army Corps of Engineers proposed in 1986 that a dry dam, or a dry reservoir, be built on Sinking Creek. That project was never built, not because it wasn't needed, but because of the cost sharing requirements that would have taken \$839,000 from the city of Lebanon. That is a lot of money for a small city in middle Tennessee, and city officials decided they could not afford it.

It is for this very reason. Mr. President, that I have consistently voted for needed public works water and flood control projects and against prohibitive cost sharing requirements. I stood on this floor in 1986, during the debate on the Water Resources Development Act—a bill that the President threatened to veto unless these burdensome cost sharing rules were enacted into law—and I warned about the effects of those rules. I specifically cited the Mississippi River and Tributaries Project, but the example was an accurate forecast of the Lebanon situation. Let me quote an excerpt from my statement at that time: "I want these concerns about cost sharing to be fully understood. The precedent we establish with the legislation will be a lasting one. The effects of cost sharing must be watched closely; and if [projects] are in fact not built because of these provisions, the Nation may well pay much more for the repair of flood damages * * * than we will save by requiring cost sharing. If so, some future Congress will need to remedy what has been done here."

Mr. President, the time has come for Congress to revisit the entire issue of cost sharing. Public safety must not be jeopardized further by rigid cost sharing policies. Our priorities must be set straight. This bill to benefit Lebanon by building a dry reservoir meets a pressing need; it should be approved by my colleagues on its own merit. Beyond that, however, our overall policy on flood control should be examined so that we can fulfill our obligation, as set forth in the Constitution, "to promote the general welfare."

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sinking Creek Flood Control Act of 1989".

SEC. 2. AUTHORIZATION OF DRY RESERVOIR.

The Secretary of the Army, acting through the Chief of Engineers, is authorized to construct a dry reservoir, for flood control purposes, at or near Mile 5.96, Sinking Creek in Wilson County, Tennessee.

SEC. 3. AUTHORIZATION OF FUNDS.

Of the funds made available under section 205 of the Flood Control Act of 1948 for the fiscal year 1990, \$3,837,600 shall be available only to carry out the purposes of this Act, of which—

(1) up to \$831,600 shall be available only to the City of Lebanon, Tennessee, for the acquisition of property needed for the dry reservoir; and

(2) up to \$116,000 shall be available only to develop recreational facilities on the dry reservoir.

SEC. 4. EXEMPTION.

Notwithstanding any other provision of law, no cost-sharing shall be required of the City of Lebanon, Tennessee, or any other State or local government, for purposes of the use of funds under this Act.

SEC. 5. DISPOSITION OF DRY RESERVOIR.

(a) Upon completion, the maintenance and operation of the dry reservoir shall be the responsibility of the City of Lebanon, Tennessee.

(b) The City of Lebanon shall utilize the less frequently flooded areas of the dry reservoir for recreation facilities for the use of the general public.●

By Mr. KERRY (for himself, Mr. BOSCHWITZ, and Mr. WIRTH):

S. 1144. A bill to authorize and direct the U.S. Executive Director of the International Monetary Fund to promote staffing and policy changes with respect to the management of natural resources, and for other purposes; to the Committee on Foreign Relations.

IMF POLICIES WITH RESPECT TO MANAGEMENT OF NATURAL RESOURCES

Mr. KERRY. Mr. President, today I am introducing legislation which, among other things, would direct the U.S. Exchange Director of the International Monetary Fund to work for the establishment of a systematic review of the social and environmental impacts of the Fund's stabilization and adjustment policies.

International financial institutions, such as the World Bank, have come to recognize recently that environmental degradation undermines the foundations of sustained economic development, particularly in Third World countries which depend heavily on their natural resource base for economic growth. Economic austerity pro-

grams imposed on many of these countries have encouraged the exploitation of natural resources for short-term gain, sacrificing critical environmental and social concerns.

During the past 5 years, the Congress has enacted significant pieces of legislation relating to the multilateral development banks and the International Monetary Fund, designed to achieve reforms in those institutions' policies, procedures, staffing patterns and program implementation. In 1987, then Secretary of the Treasury James Baker requested that the issue of environment and natural resources be added to the agenda of a spring 1987 meeting of the Joint Ministerial Committee of the World Bank and the IMF—known as the Development Committee. A World Bank report presented at this meeting stressed the importance of the environment and social issues as key factors in evaluating overall economic policy toward a country and recommended that multilateral development institutions' program implementation include a review of the environmental effects of macroeconomic conditions and policies promoted by those institutions.

In fact, in 1988, the World Bank and the Inter-American Development Bank jointly supported a proposal by local and international environmentalists for alternative development of Brazil's Amazon region. This plan provided that large areas of the Amazon be devoted solely for exploitation of natural rubber, by traditional rubber tappers, and the sustainable harvest of other rain-forest products such as Brazil nuts and herbs and plants used for pharmacological purposes.

While the World Bank and other IFI's have taken steps to implement the concerns addressed at the 1987 meeting, the IMF has ignored these recommendations and continues to ignore the fact that many of its policies and economic prescriptions can adversely affect social and environmental sectors throughout the Third World.

Although the IMF does not finance specific projects, its economic prescriptions for dealing with balance-of-payments problems can have a negative impact on natural resource exploitation and on the need for social stability. Since the IMF and the World Bank work hand in hand to assist deeply-indebted Third World countries in the structural readjustment of their economies, the long-term environmental goals now being considered by the World Bank risk being undermined by the IMF's short-term adjustment programs.

Such programs frequently focus on export promotion and often result in cutbacks of vital social services and environmental protection agencies. For example, in Brazil the necessity to increase that country's exports in an

effort to earn hard currency to cope with debt servicing problems, has resulted in increased pressure on development of the Amazon. Yet the short-term gain in increasing export earnings by developing the Amazon is outweighed by the long-term, disastrous implications such development will have on its sustainable resource base.

Because the IMF plays such a central role in the economies of many developing countries, it is in a unique position to integrate social and environmental considerations as critical elements in its stabilization and adjustment policies and would thereby contribute—along with the World Bank and IFI's—to long-term sustainable development.

Among the questions which should be addressed, as they relate to the activities of the IMF, are the following:

Does the IMF conduct studies of the projected environmental and social consequences of its macroeconomic and microeconomic policy prescriptions?

Are there any qualified natural resource economists on the IMF staff, a requirement which is necessary in order to evaluate the environmental impacts of stabilization and structural adjustment packages for individual countries, as well as the effect of such policies on the natural resource base of a particular country over the long term?

Are there development economists on the IMF staff who are trained to understand the practical realities of development, particularly the linkages between short-term exploitation of natural resources and longer-term impacts on the society as a whole?

Are there poverty experts on the IMF staff, which would be required in order to study and predict the impacts of IMF policy prescriptions on the poorest segments of society, particularly women and children?

Does the IMF have an independent evaluation unit to review whether the goals of its policy prescriptions have been realized, what lessons were learned, and what should be done differently in the future to avoid or minimize adverse social and environmental impacts?

Does the IMF have a policy unit to advise the Managing Director on inter-regional issues such as environmentally sustainable development and declining health and nutrition levels?

Does the IMF make appropriate use of its relationships with the World Bank in taking into account these questions and then participating in joint actions in order to meet the needs of the poor majority in developing nations?

Given the poverty and environmental degradation in the developing world, highlighted by World Bank President Barber Conable in his speech to this year's annual World

Bank-IMF meeting, it would appear to be highly desirable for the IMF to make major reforms in policy prescriptions, procedures, and staffing patterns in order to equip that institution to deal more effectively with the real problems facing the global community today.

The purpose of introducing this legislation is to begin moving the IMF in the direction of undertaking the necessary reforms which would ameliorate many of the environmental and social problems throughout the Third World which can be linked directly to that institution's stabilization and structural adjustment programs.

I urge my colleagues to join with me in cosponsoring this important legislative initiative.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1144

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) The International Monetary Fund (Fund) policy plays a central role in shaping the global environment. Although the Fund does not finance specific projects, its prescriptions for achieving balance-of-payments equilibrium can have a major influence on the management and use of natural resources, and can adversely affect social issues such as health, nutrition, and education.

(2) The Fund's policies and programs of economic adjustment can aggravate the extent and depth of poverty, placing a heavy burden on the most vulnerable groups in society.

(3) The Fund lacks essential staff to enable it to analyze the social and environmental impacts of its policies and adjustment programs. In particular, the Fund lacks natural resource economists, poverty experts, and development economists.

(4) The Fund does not systematically review the projected environmental and social impacts of its macroeconomic and microeconomic policy prescriptions.

(5) The Fund does not systematically evaluate whether the goals of past policy and adjustment programs were achieved, what lessons were learned, and what should be done in the future to avoid similar adverse impacts.

(6) The Fund lacks a policy unit to advise it on issues involving the environment, poverty, health, and education.

SEC. 2. EXECUTIVE DIRECTOR TO PROMOTE CHANGES.

The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to work for the following policy and staffing changes through formal initiatives and through bilateral discussions:

(1) The addition to the Fund's staff of natural resource economists, poverty experts, development economists trained in the linkage between short-term exploitation of natural resources and long-term econom-

ic impacts, and other specialists trained in social issues.

(2) The establishment by the Fund of a systematic review of the social and environmental impacts of policy prescriptions.

(3) The establishment by the Fund of a systematic review of previously enacted policy prescriptions to determine if the Fund's objectives were met and what the social and environmental impacts were.

(4) The establishment by the Fund of long-term management of natural resources as an integral part of its stabilization and adjustment policies. A central component of such management is the creation of energy-efficient economies that minimize the generation of green house gases, which contribute to global warming and provide substantial consumer benefits.

(5) The creation of a special facility, similar to the Fund's Compensatory Financing Facility and Buffer Stock Financing Facility, directed at achieving sound natural resource management. Such a facility should accelerate debt-for-conservation swaps as a means of alleviating the serious debt burden faced by many countries.

SEC. 3. REPORTING.

Beginning in 1989 and each year thereafter, the Secretary of the Treasury shall include in his annual report to the Congress a description of the progress made by the United States Executive Director of the Fund with respect to the changes encompassed by this Act and an analysis of any obstacles encountered in achieving those changes.

By Mr. MATSUNAGA:

S. 1145. A bill to reestablish the Advisory Committee on Native-American Veterans; to the Committee on Veterans' Affairs.

ADVISORY COMMITTEE ON NATIVE-AMERICAN VETERANS

Mr. MATSUNAGA. Mr. President, I am today introducing legislation to reauthorize the activities of the Advisory Committee on Native-American Veterans. My bill also would pare the number of committee members from 19 to 6. Of the six members, one would be required to be a Native Alaskan, one a native Hawaiian, and a third a native American who resides in the Washington, DC, metropolitan area.

The present committee was created in 1986 with a 2-year mandate to examine and evaluate programs and other activities of the Veterans Administration [VA] with respect to the needs of native American veterans, including American Indians and Alaska Natives. In 1988, the Committee was reauthorized for an additional year to allow for an examination of the needs of native Hawaiian veterans. The activities of the Committee officially ended on February 1 of this year with the submission to the VA Administrator of the Committee's third and final report.

Mr. President, during its short existence, the Committee assembled a considerable amount of information concerning the needs of a unique class of veterans. Despite immense difficulties in obtaining statistical and other data on native American veterans, includ-

ing Native Alaskans and native Hawaiians, the Committee was able to issue three reports that yielded important, new information about the particular needs of native American veterans and the VA's efforts to address those needs. In summary, the Committee found that, for a variety of reasons, native Americans were underutilizing the health care services and benefits offered by the VA; it made a series of valuable recommendations to the Administrator, most of which, unfortunately, have not been implemented.

The reauthorization of the Committee in a smaller, "action" configuration would help ensure that the Committee's recommendations are carried out by the Department of Veterans' Affairs and other Federal agencies. Presently, there are standing oversight advisory committees for former prisoners-of-war and for women veterans, but none for other minorities; reauthorizing the Committee would ensure that at least the voice of native Americans, who have a unique constitutional, legal, and historical relationship with the United States, would continue to be heard by VA officials. In addition, the Committee could serve as an invaluable resource for the Secretary of Veterans' Affairs, or for a prospective Assistant Secretary for Minority Oversight, a position I am seeking to have created through legislation I recently introduced.

Mr. President, I urge my colleagues to support this measure and ask unanimous consent to have the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1145

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADVISORY COMMITTEE ON NATIVE-AMERICAN VETERANS.

(a) ESTABLISHMENT.—Effective October 1, 1989, the Advisory Committee on Native-American Veterans established by section 19032 of the Veterans' Health-Care Amendments of 1986 (title XIX of Public Law 99-272; 100 Stat. 388) is reestablished subject to the provisions of this Act.

(b) DUTIES.—The Committee shall examine and evaluate programs and other activities of the Department of Veterans Affairs with respect to the needs of veterans who are Native Americans, including American Indians and Alaska Natives. Such examination and evaluation shall include—

(1) an assessment of the needs of such veterans with respect to health care, rehabilitation, readjustment counseling, outreach services, and other benefits and services under programs administered by the Veterans' Administration; and

(2) a review of the manner in which and the extent to which the programs and other activities of the Department of Veterans Affairs meet such needs.

(c) MEMBERS.—(1) The Committee shall consist of six members, including—

(A) the Secretary of Labor (or a representative of the Secretary of Labor designated

by the Secretary after consultation with the Assistant Secretary of Labor for Veterans' Employment);

(B) the Chief Medical Director and Chief Benefits Director of the Department of Veterans Affairs or their representatives; and

(C) four members appointed by the Secretary of Veterans Affairs from the general public, including—

(i) one Native Hawaiian;

(ii) one Alaska Native; and

(iii) one Native American residing in or near the District of Columbia.

(2) In appointing member of the Committee pursuant to paragraph (1)(C), the Secretary of Veterans Affairs shall insure that the Committee includes—

(A) representatives of veterans who have service-connected disabilities; and

(B) individuals who are recognized authorities in fields pertinent to the needs of Native American veterans, including the specific health-care needs of such veterans and the furnishing of health-care services by the Department of Veterans Affairs to such veterans.

(3) The Secretary shall make all appointments pursuant to paragraph (1)(C) on or before October 1, 1989.

(d) PARTICIPATION BY OTHER AGENCIES.—The Secretary of Veterans Affairs may invite representatives of other departments and agencies of the Federal Government to participate in the meetings and other activities of the Committee.

(e) PAY OF MEMBERS.—The Secretary of Veterans Affairs shall determine the pay and allowances of the members of the Committee appointed by the Secretary.

(f) REPORTS.—(1) The Committee shall submit to the Secretary of Veterans Affairs an annual report containing the findings and any recommendations of the Committee regarding the matters described in subsection (b) that were examined and evaluated by the Committee during the fiscal year in which the report is submitted. The Committee shall submit the first annual report not later than _____, 1990, and the second annual report not later than _____, 1991.

(2) Not later than 60 days after receiving each such annual report, the Secretary shall transmit to the Committees on Veterans Affairs of the Senate and the House of Representatives a copy of the report, together with any comments and recommendations concerning the report that the Secretary considers appropriate.

(h) TERMINATION.—The Committee shall terminate on September 30, 1991.

(g) DEFINITIONS.—For the purposes of this section—

(1) the term "Committee" means the Advisory Committee on Native-American Veterans;

(2) the term "Native American" means an Indian, a Native Hawaiian, or an Alaska Native;

(3) the term "Indian" shall have the same meaning as is provided in section 4(a) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(a));

(4) the term "Native Hawaiian" shall have the same meaning as is provided in section 8 of the Native Hawaiian Health Care Act of 1988 (Public Law 100-579; 102 Stat. 2921); and

(5) the term "Alaska Native" shall have the same meaning as is provided for the term "Native" in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)).

By Mr. MATSUNAGA:

S. 1146. A bill to require the Secretary of Veterans Affairs to conduct a pilot program providing for the Secretary to make direct housing loans to eligible native American veterans for the purchase of housing on certain trust lands and certain communally owned lands; to the Committee on Veterans' Affairs.

NATIVE AMERICAN VETERANS DIRECT HOUSING
LOAN PILOT PROGRAM

Mr. MATSUNAGA. Mr. President, I am today introducing legislation to authorize the Secretary of Veterans Affairs to establish a 3-year, \$5 million pilot program to examine the feasibility of providing direct home loans to native American, native Alaskan, native Hawaiian, and other Pacific Island veterans residing on trust lands and other similar communally owned lands. The program would also determine ways to improve access of these veterans to other housing loan benefits listed in chapter 37 of title 38, United States Code. The Secretary would be required to report to both the House and Senate Veterans Affairs Committees on the results of the program, including his or her views regarding the feasibility of conducting, with respect to native American veterans seeking to obtain housing on trust land, the following: First, a permanent program to make direct housing loans; second, a direct loan program offered jointly by the Department of Veterans Affairs [VA] and tribal organizations; and third, a loan guaranty program providing a guaranty for housing loans made by tribal organizations.

Mr. President, nearly half of all native Americans live on reservations, lands which are held in trust by the U.S. Government. These lands are considered tribal, or community-owned property. This fact, in addition to the endemic unemployment that plagues Indian communities, makes it extremely difficult for native American veterans to obtain home loans. As my colleagues know, the VA will guarantee a portion of a veteran's loan, provided of course that he is first able to find a bank that is willing to offer him a loan. But how many banks are willing to issue a mortgage to a veteran whose opportunities for gainful employment are sharply limited and whose prospective house, because it stands on non-transferable tribal land, has little security value and is inherently difficult to resell in the event of default? This situation is not unique to American Indians. Veterans in American Samoa, for example, whose lands can be considered tribally owned under the Matai system, are in similar circumstances.

One solution to this problem might be to revive the VA's Direct Loan Program in limited and modified form to accommodate veterans living in special circumstances. Unfortunately the VA

has not seriously entertained this as an option, adhering as it does to a rigid application of the general rule that the Government should not be involved in so-called commercial activities. My legislation would require the VA to explore this possibility, as well as require an extensive review of other housing loan options, some of them extremely innovative, including joint Federal-tribal direct loan and loan guaranty initiatives.

Mr. President, this legislation may eventually enable many native American veterans to own homes in the communities in which they were raised. This makes economic as well as sociological sense. While promoting social stability, reviving the direct loan program could help stimulate local reservation economies, which in turn could reduce the high unemployment rates found in these areas, which, again in turn, could reduce dependence on the Federal Government. While this legislation cannot guarantee that this would happen, it would at least allow us to begin to explore this possibility.

I ask unanimous consent to have the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1146

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NATIVE AMERICAN VETERANS DIRECT
HOUSING LOAN PILOT PROGRAM.

(a) IN GENERAL.—During fiscal years 1990, 1991, and 1992, the Secretary of Veterans Affairs shall conduct a pilot program—

(1) to determine the feasibility of making direct housing loans to eligible veterans for the purchase of housing on Native American trust land; and

(2) to determine ways to improve the access of Native American veterans to housing loan benefits under chapter 37 of title 38, United States Code.

(b) PILOT PROGRAM LOANS.—Under the pilot program, the Secretary of Veterans Affairs shall make direct housing loans in connection with the purchase of housing located on Native American trust land.

(2) Any Native American who is eligible for the housing loan benefits of chapter 37 of such title shall be eligible to receive direct housing loans under the pilot program.

(3) The Secretary shall make direct housing loans under the pilot program in each of the following areas:

(A) The continental United States other than Alaska.

(B) Alaska.

(C) Islands in the Pacific Ocean.

(c) ADMINISTRATIVE PROVISIONS.—(1) Subsections (d)-(g) and (k) of section 1811 of title 38, United States Code, shall apply to the administration of the pilot program and to housing loans made under the pilot program.

(2) Housing loans under the pilot program shall be subject to such terms and conditions as the Secretary considers necessary to protect the interest of the United States.

(3) Housing loans made under the pilot program and the administrative expenses of conducting the pilot program shall be paid

out of funds appropriated pursuant to the authorization contained in subsection (f) and not out of sums in the direct loan revolving fund referred to in section 1823 of title 38, United States Code.

(d) REPORT.—Not later than 1999 the Secretary of Veterans Affairs shall transmit to the Committees on Veterans Affairs of the Senate and the House of Representatives a report containing—

(1) the views of the Secretary regarding the feasibility of conducting—

(A) a permanent program to make direct housing loans to eligible persons for the purchase of housing on Native American trust land;

(B) a direct housing loan program providing for the Secretary to make housing loans jointly with tribal organizations and economic enterprises to eligible persons for the purchase of housing on Native American trust land and to pay the Federal Government share of such loans out of sums in the Loan Guaranty Revolving Fund established in section 1824 of title 38, United States Code; and

(C) a housing loan guaranty program providing a guaranty for housing loans made to eligible persons by tribal organizations and other Native American organizations for the purchase of housing on Native American trust land; and

(2) the Secretary's recommendations, if any, for legislation regarding such programs.

(e) CONSIDERATION OF REPORTS OF THE ADVISORY COMMITTEE ON NATIVE-AMERICAN VETERANS.—In establishing the pilot program under this section and in preparing the report required by subsection (d), the Secretary shall consider the concerns and recommendations of the Advisory Committee on Native-American Veterans contained in the reports submitted by that committee pursuant to section 19032(f) of the Veterans' Health-Care Amendments of 1986 (title XIX of Public Law 99-272; 100 Stat. 388).

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Department of Veterans Affairs to carry out this section the total amount of \$5,000,000.

(g) DEFINITIONS.—For the purposes of this section—

(1) the term "housing loan" shall have the same meaning as is provided in section 1801 of title 38, United States Code;

(2) the term "eligible person" means any person referred to in subsection (b)(2);

(3) the term "Native American trust land" means any land that—

(A) is held in trust by the United States for Native Americans;

(B) is subject to restrictions on alienation imposed by the United States on Indian lands;

(C) is owned by a Regional Corporation or a village corporation, as such terms are defined in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)); or

(D) is on any island in the Pacific Ocean if such land is, by cultural tradition, communally-owned land, as determined by the Secretary of Veterans Affairs;

(4) the term "Native American" means—

(A) an Indian, as defined in section 4(a) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(a));

(B) a Native Hawaiian, as defined in section 8 of the Native Hawaiian Health Care Act of 1988 (Public Law 100-579; 102 Stat. 2921);

(C) an Alaska Native, within the meaning provided for the term "Native" in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)); and

(D) a Pacific Islander, within the meaning of the Native American Programs Act of 1974 (42 U.S.C. 2991 et seq.);

(5) the term "tribal organization" shall have the same meaning as is provided in section 4(c) of the Indian Self-Determination and Education Assistance Act (Public Law 93-638; 25 U.S.C. 450(c)); and

(6) the term "economic enterprise" shall have the same meaning as is provided in section 3(e) of the Indian Financing Act of 1974 (Public Law 93-262; 25 U.S.C. 1452(e)).

By Mr. DECONCINI (for himself, Mr. GRASSLEY, Mr. LAUTENBERG, Mr. D'AMATO, Mr. DIXON, Mr. MCCLURE, Mr. FOWLER, Mr. LEAHY, Mr. MURKOWSKI, Mr. PELL, Mr. BRADLEY, Mr. JEFFORDS, Mr. PRESLEY, Mr. ROCKEFELLER, Mr. SHELBY, Mr. REID, Mr. SANFORD, Mr. EXON, Mr. WIRTH, Mr. GLENN, Mr. INOUE, Mr. SARBANES, Mr. KOHL, Mr. GORE, Mr. COCHRAN, Mr. WARNER, Mr. BIDEN, Mr. ROBB, Mr. WILSON, Mr. MITCHELL, Mr. HEINZ, Mr. METZENBAUM, Mr. DODD, Mr. DOLE, Mr. BOREN, Mr. LEVIN, Mr. CHAFEE, Mr. MACK, Mr. SIMON, Mr. KENNEDY, Mr. WALLOP, Mr. BURDICK, Mr. BREAUX, Mr. RIEGLE, Mr. DASCHLE, Mr. MOYNIHAN, Mr. CONRAD, Mr. SASSER, Ms. MIKULSKI, Mr. NUNN, Mr. GRAHAM, Mr. BAUCUS, Mr. BINGAMAN, Mr. HOLLINGS, Mr. FORD, Mr. BUMPERS, Mr. ADAMS, Mr. JOHNSTON, Mr. HATCH, Mr. KERRY, Mr. DURENBERGER, Mr. LIEBERMAN, Mr. BOSCHWITZ, Mr. ROTH, Mr. SIMPSON, and Mr. COATS):

S.J. Res. 150. A joint resolution to designate August 1, 1989, as "Helsinki Human Rights Day"; to the Committee on the Judiciary.

HELSINKI HUMAN RIGHTS DAY

● Mr. DECONCINI. Mr. President, as the Chairman of the Commission on Security and Cooperation in Europe—Helsinki Commission—I am pleased to introduce today, together with a majority of my colleagues, a joint resolution that authorizes and requests the President of the United States to designate August 1, 1989, as "Helsinki Human Rights Day."

Fourteen years ago, on August 1, 1975, representatives from 35 countries joined together in signing the final act of the Conference on Security and Cooperation in Europe [CSCE], commonly referred to as the Helsinki accords. This agreement covers every aspect of East-West relations, including military security, scientific and cultural exchanges, trade and economic cooperation and human rights.

The principles contained in these accords require the participating states

to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion." They further address a principle which is central to the underlying purpose of the Helsinki Agreement; the unrestrained movement of people, ideas, and information.

Unfortunately, Mr. President, despite some significant improvements, several signatory nations continue not to honor these commitments. Basic freedoms which should be the right of every citizen such as the free expression of thought, unrestricted emigration, and family reunification continue to be abused and, in all too many cases, categorically denied.

This resolution requests the President to consistently raise the issue of noncompliance with the Helsinki accords on the part of any CSCE state which may be in violation. This particularly applies to the governments of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania.

In November, 1986 representatives from the signatory states convened in Vienna to review all aspects of the Helsinki accords. After over 2 years of negotiations, a Vienna concluding document was agreed to on January 19, 1989. This document, with respect to human rights and other humanitarian concerns, goes beyond any to date. However, while the review process has demonstrated improvements in some areas, much still needs to be accomplished.

By proclaiming August 1, 1989, as "Helsinki Human Rights Day," we reaffirm our commitment to the principles governing the Helsinki accords, principles that mirror those upon which our own constitution is based.

Transgressions against freedoms which are the inherent right of every individual must not be tolerated in any context. When these occur as a result of domestic policies by nations which have publicly agreed to protect and honor the fundamental human rights of their citizens, we must take vigorous action including public statements to induce them to live up to their international agreements.

I urge each member of this body to support this resolution and I ask unanimous consent that the text be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.J. RES. 150

Whereas August 1, 1989, will be the fourteenth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (CSCE) (hereafter in this preamble referred to as the "Helsinki accord");

Whereas on August 1, 1975, the Helsinki accords were agreed to by the Governments of Austria, Belgium, Bulgaria, Canada,

Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and Yugoslavia;

Whereas the participating States have committed themselves to balanced progress in all areas of the Helsinki accords;

Whereas the Helsinki accords recognize the inherent relationship between respect for human rights and fundamental freedoms and the attainment of genuine security;

Whereas the Helsinki accords express the commitment of the participating States to "recognize the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and cooperation among themselves as among all States";

Whereas the Helsinki accords also express the commitment of the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas the Helsinki accords also express the commitment of the participating States to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his free and fully development";

Whereas the Helsinki accords also express the commitment of the participating States to "recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience";

Whereas the Helsinki accords also express the commitment of the participating States on whose territory national minorities exist to "respect the right of persons belonging to such minorities to equality before the law" and that such States "will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will in this manner, protect their legitimate interests in this sphere";

Whereas the Helsinki accords also express the commitment of the participating States to "constantly respect these rights and freedoms in their mutual relations" and that such States "will endeavor jointly and separately, including in cooperation with the United Nations, to promote universal and effective respect for them";

Whereas the Helsinki accords also express the commitment of the participating States to "conform the right of the individual to know and act upon his rights and duties in this field";

Whereas the Helsinki accords also express the commitment of the participating States in the field of human rights and fundamental freedoms to "act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights" and to "fulfill their obligations as set forth in the international declarations and agreements in this field, including inter alia the Inter-

national Covenants on Human Rights, by which they may be bound";

Whereas the Helsinki accords by incorporation also express the commitment of the participating States to guarantee the right of the individual to leave his own country and return to such country;

Whereas the Helsinki accords also express the commitment of the participating States to "facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating States, and to contribute to the solution of the humanitarian problems that arise in that connection";

Whereas the Helsinki accords also express the commitment of the participating States to "favorably consider applications for travel with the purpose of allowing persons to enter or leave their territory temporarily, and on a regular basis if desired, in order to visit members of their families";

Whereas the Helsinki accords also express the commitment of the participating States to "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family" and "to deal with applications in this field as expeditiously as possible";

Whereas the Helsinki accords also express the commitments of the participating States to "examine favorably and on the basis of humanitarian considerations requests for exit or entry permits from persons who have decided to marry a citizen from another participating State";

Whereas the Helsinki accords also express the commitment of the participating States to "facilitate wider travel by their citizens for personal or professional reasons";

Whereas the Helsinki accords also express the commitment of the participating States to "facilitate the freer and wider dissemination of information of all kinds, to encourage cooperation in the field of information and the exchange of information with other countries";

Whereas all the participating States, including the Governments of the Union of Soviet Socialist Republics, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania, in agreeing to the Helsinki accords, have made a commitment to adhere to the principles of human rights and fundamental freedoms as embodied in the Helsinki accords;

Whereas, despite some significant improvements in some of these countries, the aforementioned Governments still have the worst performance records and have failed to fully implement their obligations under Principle VII of the Helsinki accords to respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, and under Basket III of the Helsinki accords to promote free movement of people, ideas and information;

Whereas representatives from the signatory States convened in Vienna on November 4, 1986, to review implementation and address issues of compliance with the human rights and humanitarian provisions of the Helsinki accords;

Whereas representatives from the signatory States reached consensus on the Concluding Document of the Vienna Meeting on January 19, 1989, a document which has added clarity and precision to the obligations undertaken by the States in signing the Helsinki accords; and

Whereas by agreeing to the document, the signatory States "reaffirmed their commit-

ment of the CSCE process and underlined its essential role in increasing confidence, in opening up new ways for cooperation, in promoting respect for human rights and fundamental freedoms and thus strengthening international security"; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) August 1, 1989, the fourteenth anniversary of the signing of the Final Act on the Conference on Security and Cooperation in Europe (hereinafter referred to as the "Helsinki accords") is designated as "Helsinki Human Rights Day";

(2) the President is authorized and requested to issue a proclamation reasserting the American commitment to full implementation of the human rights and humanitarian provisions of the Helsinki accords, urging all signatory nations to abide by their obligations under the Helsinki accords, and encouraging the people of the United States to join the President and Congress in observance of the Helsinki Human Rights Day with appropriate programs, ceremonies, and activities;

(3) the President is further requested to continue his efforts to achieve full implementation of the human rights and humanitarian provisions of the Helsinki accords by raising the issue of noncompliance on the part of any signatory nation which may be in violation (in particular, the Governments of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania);

(4) the President is further requested to convey to all signatories of the Helsinki accords that respect for human rights and fundamental freedoms is a vital element of further progress in the ongoing Helsinki process; and

(5) the President is authorized to convey to allies and friends of the United States that unity on the question of respect for human rights and fundamental freedoms is an essential means of promoting the full implementation of the human rights and humanitarian provisions of the Helsinki accords.

SEC. 2. The Secretary of the Senate is directed to transmit copies of this joint resolution to the President, the Secretary of State, and the Ambassadors of the thirty-four Helsinki signatory nations.●

By Mr. PRYOR (for himself, Mr. ADAMS, Mr. BENTSEN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BRYAN, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. COCHRAN, Mr. COHEN, Mr. CONRAD, Mr. CRANSTON, Mr. D'AMATO, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DURENBERGER, Mr. GARN, Mr. GLENN, Mr. GORE, Mr. GRASSLEY, Mr. HEINZ, Mr. INOUE, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. LIEBERMAN, Mr. LUGAR, Mr. MCCLURE, Mr. METZENBAUM, Ms. MIKULSKI, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NUNN, Mr. PACKWOOD, Mr. PELL, Mr. PRESSLER, Mr. REID, Mr. ROBB, Mr. ROCKEFELLER, Mr. SASSER, Mr. SHELBY, Mr. SIMPSON, Mr. STEVENS, Mr.

THURMOND, Mr. WARNER, Mr. WILSON, and Mr. WIRTH):

S.J. Res. 152. Joint resolution to designate the last full week of October, October 22 through October 28, 1989, and the last full week of October thereafter as "National Adult Immunization Awareness Week"; to the Committee on the Judiciary.

NATIONAL ADULT IMMUNIZATION AWARENESS WEEK

● Mr. PRYOR. Mr. President, as chairman of the Senate Special Committee on Aging, I am pleased to introduce a joint resolution to designate the last full week of October, October 22 through 28, 1989, as National Adult Immunization Awareness Week.

Mr. President, this year, tens of thousands of adults, most of them elderly, will die from vaccine-preventable diseases. While preschool immunization is required by State law, the need for immunization of older adults is often overlooked. I understand that fewer than one in eight older adults is protected against flu, pneumonia, hepatitis B, measles, diphtheria, rubella, or tetanus. This rate is disturbing and clearly life threatening. In an effort to reduce the number of unnecessary deaths, we must work to promote a greater awareness of the need for increased adult immunization. Knowing that a simple shot could save lives is the first step in addressing this issue.

Over the past 30 years our country has been hit by numerous major flu epidemics, each of which has claimed the lives of thousands of citizens, the majority being elderly. Fewer than 10 percent of our elderly are immunized against pneumococcal pneumonia which is the sixth leading cause of death in the United States.

In addition to this tragic loss of life, our failed adult immunization program forces us to spend our health care dollars on preventable infectious diseases for hospital care and lost work days. Congress has not been unresponsive to this issue. Currently, we have funded an innovative project that provides free flu shots as part of a large scale and cost-effective demonstration project.

This resolution, which has the support of a broad-based coalition comprised of more than 50 private, public, professional and consumer groups, provides an excellent opportunity to publicize the Medicare influenza project and many other vaccine programs offered by States and voluntary and professional groups across the Nation.

The National Adult Immunization Awareness Week costs the Government nothing. Instead it could save the United States billions of dollars in health care costs and improve the overall health of this Nation's adult population.

Mr. President, this joint resolution represents a continuing effort toward reaching our goal. I am delighted that a similar resolution was passed unanimously and signed by the President in each of the past 2 years. I urge my colleagues' support as one measure of our shared commitment to ending the tragic loss of life caused by these deadly and preventable diseases.●

By Mr. ROCKEFELLER (for himself, Mr. HOLLINGS, Mr. BURNS, Mr. PRESSLER, Mr. GORE, Mr. BRYAN, Mr. DANFORTH, Mr. INOUE, Mr. BENTSEN, Mr. STEVENS, Mr. KASTEN, Mr. KERRY, Mr. ROBB, Mr. EXON, Mr. LOTT, Mr. GORTON, Mr. SHELBY, Mr. REID, Mr. PRYOR, Mr. BRADLEY, Mr. MACK, Mr. D'AMATO, Mr. WILSON, Mr. DECONCINI, Mr. HEFLIN, Mr. SYMMS, Mr. SASSER, Mr. MURKOWSKI, Mr. RIEGLE, Mr. COHEN, Mr. GARN, Mr. DASCHLE, Mr. PELL, Mr. MITCHELL, Mr. BOND, Mr. THURMOND, Mr. SANFORD, Mr. DURENBERGER, Mr. CRANSTON, Mr. COCHRAN, Mr. JEFFORDS, Mr. LAUTENBERG, and Mr. SIMPSON):

S.J. Res. 153. Joint resolution designating the third week in May 1990 as "National Tourism Week"; to the Committee on the Judiciary.

NATIONAL TOURISM WEEK

● Mr. ROCKEFELLER. Mr. President, the Senate has passed legislation to recognize the tourism industry for the last 5 years. Today, I am continuing the tradition and introducing a joint resolution to proclaim the third week of May 1990 as National Tourism Week. I believe the reasons to support this industry are as compelling now as they have ever been.

I would like to take a moment to update my colleagues on what is happening in the tourism industry and why this commemorative resolution is worth passing.

Travel away from home, often called tourism is a complex phenomenon. It entails consumer and business purchases of passenger transportation, lodging, food, entertainment, recreation, gasoline, and certain retail items. These activities which bring to mind some of life's less serious pursuits, raise very serious issues for those of us concerned about our national economy.

Some of my colleagues may be surprised to learn that tourism is the second largest private employer in the United States, generating nearly 6 million jobs and indirectly employing another 2.2 million Americans. And let me dispel the myth that these are low-paying, short-term, hamburger flipper jobs we hear so much about. People employed in the tourism industry earn an average wage of \$6 an hour and

most employers offer valuable training and long-term career opportunities.

The figures, on the revenue side, are staggering. Travel expenditures in the United States amount to more than \$313 billion annually, or about 6.4 percent of gross national product.

Tourism is important to American families and they back it up with the power of their purses. In fact, the typical American household spends \$3,900 per year on travel in the United States and abroad—almost as much as it spends on private health care or on food, beverages, and tobacco combined, and twice as much as it spends on clothing.

I recently held a field hearing in West Virginia on the importance of this industry to my State. At that hearing, I heard about the wonderful things the industry is doing in West Virginia. Tourism is West Virginia's second largest industry. Tourists spend nearly \$3.5 million per day in our State. This spending supports more than 28,000 jobs for West Virginians. And each year, our State and local governments pick up a total of \$128 million in tax revenues from travel and tourism expenditures. I believe that West Virginia's incredible wealth of natural resources puts us in good stead as a tourist destination. We are working very hard to make the most of what nature has given us and sharing it with as many visitors as possible.

While I am pleased about the benefits of tourism I am seeing in West Virginia, I am also delighted to hear of the impact tourism has on the country in the international trade area. In 1988, 34 million foreigners traveled to the United States—that's an increase of 13.8 percent over 1987. We need to start thinking of these international visitors as living, breathing American exporters. They are exporting our tourism products—traveling on our air carriers, staying in our hotels, eating in our restaurants, and visiting our national attractions. Last year alone, foreign visitors spent \$18.4 billion dollars in the United States. Given our huge trade imbalance, these figures are very important.

You may be asking yourself; if this industry is doing so well, why do we need to have a national week of recognition? I believe we should not wait for an industry to fall into hard times before we—the Government—come to their side. Our major trade competitors are more often than not ready to offer support and assistance to domestic industries. The U.S. Government should also stand by our industries in good times and in hard times.

Given the tremendous size and importance of the tourism industry, this sector asks for very little from the Federal Government. I am willing to do more, if necessary, to ensure the continued growth of the tourism in-

dustry. For now, I think that the least we can do for this industry is give them a national week of recognition—it is a tip of our hat to an industry which has become an engine of our economy.●

ADDITIONAL COSPONSORS

S. 6

At the request of Mr. McCAIN, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 6, a bill to grant the power to the President to reduce appropriated funds within 10 days after the date of enactment of a bill appropriating such funds.

S. 216

At the request of Mr. MOYNIHAN, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 216, a bill to establish the Social Security Administration as an independent agency, which shall be headed by a Social Security Board and which shall be responsible for the administration of the old-age, survivors, and disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of such act.

S. 338

At the request of Mr. HARKIN, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 338, a bill to authorize the Secretary of the Interior to provide for the development of a trails interpretation center in the city of Council Bluffs, IA, and for other purposes.

S. 341

At the request of Mr. HOLLINGS, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 341, a bill to amend the Federal Aviation Act of 1958 to prohibit discrimination against blind individuals in air travel.

S. 342

At the request of Mr. DANFORTH, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 342, a bill to amend the Internal Revenue Code of 1986 to provide that certain credits will not be subject to the passive activity rules, and for other purposes.

S. 355

At the request of Mr. RIEGLE, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 355, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage credit certificates may be issued.

S. 375

At the request of Mr. HOLLINGS, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 375, a bill to provide for the broadcast-

ing of accurate information to the people of Cuba, and for other purposes.

S. 416

At the request of Mr. DOMENICI, the names of the Senator from Washington [Mr. ADAMS] and the Senator from California [Mr. WILSON] were added as cosponsors of S. 416, a bill to provide that all Federal civilian and military retirees shall receive the full cost-of-living adjustment in annuities payable under Federal retirement systems for fiscal years 1990 and 1991, and for other purposes.

S. 454

At the request of Mr. ROCKEFELLER, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 454, a bill to provide additional funding for the Appalachian development highway system.

S. 455

At the request of Mr. ROCKEFELLER, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 455, a bill to extend the Appalachian Regional Development Act of 1965 and to provide authorizations for the Appalachian Highway and Appalachian Area Development Programs.

S. 507

At the request of Mr. SIMON, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 507, a bill to prohibit investments in, and certain other activities with respect to, South Africa, and for other purposes.

S. 570

At the request of Mr. DANFORTH, the names of the Senator from Colorado [Mr. WIRTH] and the Senator from Hawaii [Mr. INOUE] were added as cosponsors of S. 570, a bill to amend the Internal Revenue Code of 1986 to enhance the incentive for increasing research activities.

S. 754

At the request of Mr. PACKWOOD, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 754, a bill to restrict the export of unprocessed timber from certain Federal lands, and for other purposes.

S. 755

At the request of Mr. PACKWOOD, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 755, a bill to authorize the States to prohibit or restrict the export of unprocessed logs harvested from lands owned or administered by States.

S. 771

At the request of Mr. REID, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 771, a bill to amend the Internal Revenue Code of 1986 to disallow deductions for costs in connection with oil and hazardous substances cleanup unless the requirements of all

applicable Federal laws concerning such cleanup are met, and for other purposes.

S. 814

At the request of Mr. DOMENICI, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 814, a bill to provide for the minting and circulation of one dollar coins, and for other purposes.

S. 893

At the request of Mr. LAUTENBERG, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 893, a bill to establish certain categories of Soviet and Vietnamese nationals presumed to be subject to persecution and to provide for adjustment to refugee status of certain Soviet and Vietnamese parolees.

S. 959

At the request of Mr. DASCHLE, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 959, a bill to amend title III of the Public Health Service Act to make improvements in the National Health Service Corps Scholarship Program, and for other purposes.

S. 986

At the request of Mr. LAUTENBERG, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 986, a bill to require Federal review and approval of oil discharge contingency plans, and for other purposes.

S. 1036

At the request of Mr. LEAHY, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1036, a bill to improve the economic, community, and educational well-being of rural America, and for other purposes.

S. 1091

At the request of Mr. GRAHAM, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Alaska [Mr. STEVENS], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 1091, a bill to provide for the striking of medals in commemoration of the bicentennial of the United States Coast Guard.

S. 1107

At the request of Mr. SIMON, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1107, a bill to provide education, training, employment, and related services to displaced homemakers, and for other purposes.

SENATE JOINT RESOLUTION 68

At the request of Mr. BYRD, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 68, a joint resolution to designate the month of May 1989, as "Trauma Awareness Month."

SENATE JOINT RESOLUTION 86

At the request of Mr. RIEGLE, the names of the Senator from Minnesota

[Mr. DURENBERGER], the Senator from Vermont [Mr. JEFFORDS], the Senator from Maryland [Ms. MIKULSKI], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Joint Resolution 86, a joint resolution designating November 17, 1989, as "National Philanthropy Day."

SENATE JOINT RESOLUTION 110

At the request of Mr. SIMON, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of Senate Joint Resolution 110, a joint resolution designating October 5, 1989, as "Raoul Wallenberg Day."

SENATE JOINT RESOLUTION 120

At the request of Mr. BRADLEY, the names of the Senator from Hawaii [Mr. INOUE], the Senator from Maryland [Mr. SARBANES], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from North Dakota [Mr. BURDICK], the Senator from Alabama [Mr. SHELBY], the Senator from Rhode Island [Mr. PELL], the Senator from Oklahoma [Mr. BOREN], the Senator from California [Mr. CRANSTON], the Senator from Michigan [Mr. LEVIN], the Senator from Arizona [Mr. DECONCINI], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from North Dakota [Mr. CONRAD], the Senator from South Carolina [Mr. HOLINGS], the Senator from Michigan [Mr. RIEGLE], the Senator from Maine [Mr. MITCHELL], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Texas [Mr. BENTSEN], the Senator from Georgia [Mr. NUNN], the Senator from Alabama [Mr. HEFLIN], the Senator from New York [Mr. MOYNIHAN], the Senator from Illinois [Mr. SIMON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Maryland [Ms. MIKULSKI], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Colorado [Mr. WIRTH], the Senator from Nevada [Mr. BRYAN], the Senator from Nevada [Mr. REID], the Senator from South Dakota [Mr. DASCHLE], the Senator from Oregon [Mr. PACKWOOD], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Indiana [Mr. LUGAR], the Senator from Indiana [Mr. COATS], the Senator from South Carolina [Mr. THURMOND], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Vermont [Mr. JEFFORDS], the Senator from Kansas [Mr. DOLE], the Senator from California [Mr. WILSON], the Senator from Idaho [Mr. MCCLURE], the Senator from Colorado [Mr. ARMSTRONG], the Senator from South Dakota [Mr. PRESSLER], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Virginia [Mr. WARNER], the Senator from Mississippi [Mr. COCHRAN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from New York [Mr. D'AMATO], the Senator from Utah [Mr. GARN], the Senator from

Missouri [Mr. BOND], the Senator from Alaska [Mr. STEVENS], the Senator from New Mexico [Mr. DOMENICI], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Montana [Mr. BURNS], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Joint Resolution 120, a joint resolution to designate the period commencing November 12, 1989, and ending November 18, 1989, as "Geography Awareness Week."

SENATE JOINT RESOLUTION 127

At the request of Mr. SIMON, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Massachusetts [Mr. KERRY], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 127, a joint resolution designating Labor Day Weekend, September 2-4, 1989, as "National Drive for Life Weekend."

SENATE JOINT RESOLUTION 129

At the request of Mr. DOLE, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of Senate Joint Resolution 129, a joint resolution to provide for the designation of September 15, 1989, as "National POW/MIA Recognition Day."

SENATE JOINT RESOLUTION 130

At the request of Mr. SARBANES, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of Senate Joint Resolution 130, a joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week."

SENATE JOINT RESOLUTION 131

At the request of Mr. DURENBERGER, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 131, a joint resolution to designate November 1989 as "National Diabetes Month."

SENATE JOINT RESOLUTION 136

At the request of Mr. SPECTER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Joint Resolution 136, a joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 144

At the request of Mr. HATCH, the name of the Senator from Kentucky [Mr. McCONNELL] was added as a cosponsor of Senate Joint Resolution 144, a joint resolution proposing an amendment to the Constitution of the United States relating to voluntary silent prayer or reflection.

SENATE RESOLUTION 13

At the request of Mr. DOLE, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cospon-

sor of Senate Resolution 13, a resolution to amend Senate Resolution 28 to implement closed caption broadcasting for hearing-impaired individuals of floor proceedings of the Senate.

SENATE RESOLUTION 63

At the request of Mr. SYMMS, the names of the Senator from Montana [Mr. BURNS], the Senator from North Dakota [Mr. CONRAD], the Senator from Idaho [Mr. McCLURE], the Senator from North Carolina [Mr. SANFORD], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Resolution 63, a resolution expressing the sense of the Senate that the Federal excise taxes on gasoline and diesel fuel shall not be increased to reduce the Federal deficit.

AMENDMENT NO. 139

At the request of Mr. McCAIN, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of amendment No. 139 proposed to H.R. 2072, a bill making dire emergency supplemental appropriations and transfers, urgent supplementals, and correcting enrollment errors for the fiscal year ending September 30, 1989, and for other purposes.

AMENDMENT NO. 140

At the request of Mr. PACKWOOD, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of amendment No. 140 proposed to H.R. 2072, a bill making dire emergency supplemental appropriations and transfers, urgent supplementals, and correcting enrollment errors for the fiscal year ending September 30, 1989, and for other purposes.

At the request of Mr. MITCHELL, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of amendment No. 140 proposed to H.R. 2072, supra.

AMENDMENTS SUBMITTED

DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS, 1989

BYRD AMENDMENT NO. 143

Mr. BYRD proposed an amendment to the bill (H.R. 2072) making dire emergency supplemental appropriations and transfers, urgent supplementals, and correcting enrollment errors for the fiscal year ending September 30, 1989, and for other purposes, as follows:

On page 10 at line 18, delete "301" and insert "201".

On page 12 between lines 13 and 14, in amendment 127, delete the word "borrowing" in the last line and insert "recipient".

On page 14 after line 24, in amendment number 136, insert the head "Haiti", and delete "553(b)" and insert "563(b)".

On page 17 at line 20, strike "501" and insert "401".

On page 19 at line 15, delete "502" and insert "402".

On page 20 at line 1, delete "503" and insert "403".

On page 41 at line 16, delete the word "calendar" and insert the word "fiscal" in lieu thereof.

At the appropriate place insert the following:

"Effective June 15, 1989, the Library of Congress shall provide financial management services and support to the United States Capitol Preservation Commission as may be required and mutually agreed to by the Librarian of Congress and the Cochairmen of the United States Capitol Preservation Commission."

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on June 21, 1989, beginning at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on six bills currently pending before the subcommittee. The measures are:

S. 558, to authorize a study on methods to protect and interpret the internationally significant Lechuguilla Cave at Carlsbad Caverns National Park in the State of New Mexico;

S. 560, to direct the Secretary of the Interior to conduct a study of certain historic military forts in the State of New Mexico;

S. 818, to authorize a study on methods to pay tribute to the late Senator Clinton P. Anderson of New Mexico for his significant contributions to the establishment of a national wilderness system;

S. 855, to direct the Secretary of the Interior to establish a cave research institute at Carlsbad Caverns National Park;

S. 940, to designate segments of the east fork of the Jemez River and of the Pecos River as components of the National Wild and Scenic Rivers System; and

S. 963, to authorize a study on methods to commemorate the nationally significant highway known as Route 66, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit written testimony to be included in the hearing record is welcome to do so. Those wishing to submit written testimony should send two copies to the Subcommittee on Public Lands, National Parks and Forests, SD-364, Washington, DC 20510.

For further information regarding the hearing, please contact Beth Nor-

cross of the subcommittee staff at (202) 224-7933.

COMMITTEE ON VETERANS' AFFAIRS

Mr. CRANSTON. Mr. President, I announce, for the information of Senators, that the Committee on Veterans' Affairs, which I am privileged to chair, is scheduled to hold a hearing Wednesday, June 14, 1989, in SR-418 at 9 a.m. on mental health and health-facility-security legislation and oversight.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON AVIATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Aviation Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 7, 1989, at 2:30 p.m. to hold a hearing on the effect of airline concentration at hubs on fares and services.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMERS

Mr. BYRD. Mr. President, I ask unanimous consent that the Consumer Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 7, 1989, at 10 a.m. to hold a hearing on the Federal Trade Commission reauthorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on June 7, 1989, at 10 a.m. to hold a hearing on S. 438, Racketeer Influenced and Corrupt Organizations Reform Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on June 7, 1989, at 9:30 a.m. to hold hearings on and to consider the nominations of Kenneth W. Gideon, to be an Assistant Secretary of the Treasury; Bryce L. Harlow, to be a Deputy Under Secretary of the Treasury; Gerald L. Olson, to be an Assistant Secretary of Health and Human Services; and John Michael Farren, to be Under Secretary of Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Mineral Resources Development and Production of the Commit-

tee on Energy and Natural Resources be authorized to meet during the session of the Senate on June 7, 1989, at 2:30 p.m. for an oversight hearing to receive testimony concerning the mining law of 1872.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMER AND REGULATORY AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Consumer and Regulatory Affairs of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, June 7, 1989, at 9 a.m. to conduct hearings on S. 906, the Government Check Cashing Act; S. 907, the Basic Bank Services Access Act; and, S. 909, a bill to amend the Community Reinvestment Act to require disclosure of written evaluations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on June 7, 1989, at 9:30 a.m. for a business meeting pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, June 7, 1989, at 9:30 a.m. to conduct hearings on S. 566, the National Affordable Housing Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE HENRY M. JACKSON AWARD

● Mr. INOUE. Mr. President, I had the high honor and privilege of participating last month in a Capitol ceremony at which former Majority Leader Mike Mansfield was awarded the Henry M. Jackson Award for Distinguished Public Service.

The Henry M. Jackson Award was established by the Henry M. Jackson Foundation to honor individuals who have made important contributions through public service in areas of particular interest to the late Senator Jackson, such as international affairs, human rights, and environmental quality, and who share the extraordinary qualities of leadership personified by the late Senator.

Mike Mansfield held the key post of Ambassador to Japan for 11 years—longer than any other American in history. He holds the highest respect in America and Japan as a world statesman and an outstanding expert on Asia.

As majority leader of the U.S. Senate for 16 years—also a record length of service—Senator Mansfield served our Nation and the cause of world peace with dedication and skill. I am pleased to call him my mentor and beloved friend.

Mr. President, I ask that the remarks on May 3d of Helen Jackson, the widow of Senator Scoop Jackson, and Ambassador Mansfield be printed in the RECORD.

The remarks follow:

REMARKS BY HELEN JACKSON

I am delighted to see so many dear friends here tonight.

Thank you for joining us in this tribute to Mike Mansfield and to his wonderful wife Maureen who, over the years, has been his inspiration. My only regret is that Scoop is not with us tonight to join in what is really a family affair.

Scoop and Mike were very special friends. In 1952, they entered the Senate together after serving side by side in the House of Representatives. One of the pictures on display here this evening shows the two of them, along with other freshmen Senate colleagues, gathered round President Eisenhower.

Over the years their friendship deepened. It never faltered, even in the face of differences on certain major issues of defense policy—not to mention the weekly encounters on the baseball diamond in Georgetown, so well recorded in other pictures here. Their friendship transcended disagreement. It was bonded by mutual respect, deep affection, native good humor, a sense of history and shared legislative endeavors.

The Henry M. Jackson Award for Distinguished Public Service, being presented tonight, was established by the Jackson Foundation to single out individuals who have served their nation with honor and distinction, in what we call the "Jackson tradition."

One of this era's finest public servants is Mike Mansfield. He mastered the art of national leadership in the Senate—while representing effectively the concerns of his own Montana constituency. That would have been enough for any ordinary mortal's life. But not for Mike. He went on in recent years to master the art of representing America's vital concerns as Ambassador Extraordinary to a most important nation in a critically strategic area of the world.

Born to Irish immigrant parents in New York City, Mike was sent to Montana at age 6 following the death of his mother. From then on, Montana has been the center of his life. Although he so often found himself far afield in one assignment or another, he has always been the man from Montana.

Between the ages of 14 and 20 Mike served in the three branches of the military. Upon his return to Montana, he worked as a copper miner, and fell under the influence of an attractive young school teacher, Maureen Hayes. With her encouragement and support, Mike completed his education and joined the faculty of the University of Montana, teaching Latin American and Far

Eastern history. In 1942 with Maureen's help, he was elected to Congress, and you know the rest of the story . . .

As Senator Majority Leader for sixteen years, Mike brought to the Senate a wisdom borne of worldly and scholarly experience, and an ability to listen and learn. Known for his calm, straight-forward, unflappable manner, he commanded the legislative process, steering to victory landmark legislation—notably the Civil Rights Act of 1964.

His Senate colleagues speak of this man from Montana in many ways: "A valuable national asset," "an American gentleman," "a rock of leadership and wisdom," "truth in action," "a man who brings honor rather than disrepute to the word 'politician,'" Their praise of Mike repeatedly emphasizes his "fair-dealing," his "honesty," his "steadiness of purpose," his "even-handedness," and his "commitment to others."

These same qualities distinguished his ambassadorship to Japan and this very praise has been echoed by our State Department and the White House, as well as by the Japanese people. Former Prime Minister Suzuki described him as "the most important bridge with the U.S. that no one could replace." Mike left behind a sturdy legacy of respect and understanding between the United States and Japan that should stand us in good stead in the days ahead.

Maureen—through Mike's long and strenuous career you have stood staunchly and loyally at his side, and for this we salute you.

Mike—all of us gathered here in this historic Mansfield Room in the Capitol of the United States now proudly honor you for your exceptional public service to this country. You have set a formidable example for future generations.

On behalf of the Board of Governors of the Henry M. Jackson Foundation I am privileged to present you with the Henry M. Jackson Award for Distinguished Public Service.

REMARKS OF MIKE MANSFIELD IN ACCEPTING THE HENRY M. JACKSON AWARD FOR DISTINGUISHED PUBLIC SERVICE

You have seen fit to bestow on Maureen and me quite an honor. I can think of many others who deserve it more, but as you have chosen us, we are flattered and we are grateful to receive this Henry M. Jackson Award for Distinguished Public Service.

I knew Scoop in many roles, as a Member of the House—he was younger in years but my senior in service. We came to the Senate together, along with John F. Kennedy, Stuart Symington, Albert Gore, Sr., Barry Goldwater, Prescott Bush, John Sherman Cooper, Tom Kuchel, and others—all equally meritorious.

I have always felt deep respect, admiration and appreciation for Scoop and what he achieved in his many official capacities. As a dear friend, I cherish his memory. He was a man of both the extraordinary vision of what America could become and the dedication and skill to move the nation closer to that ideal. He had the rare gift to be able to see the richness and beauty of the forest while many around him were lost among the trees.

I remember him for his other qualities as well, for his courageous spirit, his patriotism, his determination and his optimism.

And I remember him for his abilities as a statesman. Few could match his skill in mastering the essentials, in keeping the urgent from driving out the important, of harness-

ing the energy of a dream to the machinery of a democratic government. As a nation, we are better for his contributions.

In many ways, Henry Jackson was the quintessential American, and an extraordinary man for his time—for all time. We were richly blessed to have him among us.

Someone once wrote:

"Of those who dream, only the few turn their dreams into action. Of those who act, only the few turn their actions into successes. Of those who succeed, only the few turn their success into greatness. And of those who achieve greatness, there are only a few whose deeds and character will outlive them for generations to come."

Such a man was Henry Jackson.

I can think of no more appropriate name for an award for public service. He set a standard to which all who work for the betterment of our nation and in service of our citizens should aspire.

Therefore, I accept the Henry M. Jackson Award in the hope that it will inspire future generations of Americans to commit themselves to the service of this nation which both deserves and needs the very best we all have to offer.

As for myself, having also been a public servant in many capacities over the last 50 years, I have had the privilege to work along side of Scoop for much of that time and, along with him, to be part of that magnificent process by which the directions of our great nation are determined.

That alone has been honor enough for one man's lifetime. On top of that, this gift that you give us today leaves me with no more to say than a simple and heartfelt thank you.●

SEYMOUR FELDMAN LEUKEMIA FUND

● Mr. LAUTENBERG. Mr. President, I rise to pay tribute to the late Seymour Feldman and to the medical research fund founded in his memory. Mr. Feldman, known as Butch, died of Leukemia in 1961. He was 40 years old. To perpetuate his name, his family founded the Seymour Feldman Leukemia Fund to fight this dreaded disease.

Today the Seymour Feldman Leukemia Fund, originally formed by a small group of family and friends boasts over 650 members. The fund has raised \$500,000 and has awarded research grants to over a dozen medical centers around the country and in Israel.

At the fund's annual installation dinner, to be held June 15, \$10,000 grants will be awarded to the Lautenberg Center, Hebrew University, and the Dana Farber Center.

New officers will be installed that same evening and I would like to recognize them. They are: Enid Sarrel, a niece of Seymour Feldman, president, Elaine Gerstein of East Brunswick, Lewis Sarrel of West Orange, and Denise Addona of Edison, as vice presidents; Daniel Ryan of Union, treasurer; Betty Rubin of Maplewood, recording secretary, Phillis Wolfson of Springfield, corresponding secretary, and Barry Warner of Colonia, grants chairman.

The Lautenberg Center has received over \$120,000 in grants from the fund. In addition, an area in the center has been named in memory of Seymour Feldman. Newark Beth Israel has named their blood bank, after Mr. Feldman and has received \$90,000 from the fund.

This outstanding organization with its dedicated members and friends raised almost \$100,000 over the past 2 years under the leadership of Andre Apostol as president. It is heartening to know that all of the funds raised go toward leukemia research.

I want to commend the devoted individuals whose efforts make this possible. Through the good work of the fund dedicated to Seymour "Butch" Feldman, his memory lives on. May it continue in the fight against leukemia and in the search for a cure.●

PEACE IN THE MIDDLE EAST

● Mr. SIMON. Mr. President, as always, peace in the Middle East remains elusive and the violence and hatred continue to escalate. In a column I write for newspapers in my State, I have outlined several steps that might help to move toward a fair resolution of the Israeli-Palestinian conflict. I ask to have it reprinted in the RECORD.

The column follows:

PEACE: THE MIDDLE EAST'S ONLY REAL SECURITY

Almost every day there is unpleasant news from Israel about the violence that plagues the Israelis and the Palestinians.

Israel has been our friend and ally. Israel is the most free in its practices of any of the Middle East nations. And Israel's borders provide protection for a people brutally persecuted through the centuries.

But Israel cannot long be secure in its borders unless there is peace in the region. That will not be achieved without some general sense that a fair resolution to the Israeli-Palestinian conflict can be worked out in a settlement whose outlines no one now can accurately guess.

How do we move toward such a settlement?

1. All sides must recognize that the status quo is filled with danger for everyone.

The bullets and stones and tear gas of today are reflections of hatred and fear and misunderstanding. The mini-battles of today, tragic as they are, will be supplanted by bloodshed thousands of times greater on all sides if the fear, hatred and misunderstanding continue to mount.

2. All sides must be willing to take small steps toward reconciliation and negotiation.

Sadat-type dramatic strides toward peace are not likely to occur. The major actors on the Middle East scene are generally cautious. The singular exception is a non-Middle East major player, Mikhail Gorbachev. At some point his leadership could take on a significance for Syria, but we are nowhere near that position now.

That means that those who seek dramatic breakthroughs are likely to be disappointed, but those of us who are realistic should encourage the small steps that have the potential of being significant steps that vary from

getting leaders to socialize with each other at dinner to concessions on the road to peace.

3. Arab leaders should recognize that Prime Minister Yitzhak Shamir of Israel has offered a potentially significant step forward.

He has said he is willing to have elections on the West Bank and in the Gaza Strip, and then will negotiate with those elected unconditionally—a word he uses carefully—for further steps toward a settlement.

4. Yasser Arafat should ask the Palestinians in the Gaza and on the West Bank to stop all violence of any kind immediately, and certainly no less than six weeks before the elections.

The hard-liners in Israel's governing coalition should be given no excuse for calling off the election. Arafat wants more significant steps than this election. None are likely to come. This is a major step for Shamir, one that offends some of the conservatives in his Likud Party.

5. Israel must be willing to accept American or other foreign observers to the election process.

The hatred and misunderstandings are so deep that many in the Arab world will question the validity of the elections. Let foreign observers, that both Arab and Israeli leaders could quietly agree upon, be present. For example, the foreign observers might be from the United States, France and Morocco. I have no question that the election Shamir talks about will be an honest election, but millions in the Middle East doubt that. Let us reassure them.

6. Once the elections have taken place, let the peace process emerge gradually, and let the people of that region make the decisions.

Once people are elected, they will have to meet with each other to determine what their goals are and how the process can evolve. When they meet with their Israeli counterparts, enough time must be spent together to get acquainted, to diminish fear, to learn their shared hopes.

The United States or the Soviet Union or the two of us together cannot dictate what emerges. The people of the Middle East must forge the product. We can help with resources, gently nudge now and then, but there will be no Pax Americana in the Middle East.

Israelis and Arabs must make the decisions and the concessions that bring the only real security the Middle East can have: Peace.●

THE ITC STEEL STUDY

● Mr. ROCKEFELLER. Mr. President, recently, the International Trade Commission released a reported entitled "The Effects of the Steel Voluntary Restraint Agreements on U.S. Steel Consuming Industries" (USITC Pub. 2182). The American Iron & Steel Institute [AISI] reports that the ITC found that VRA's caused an increase in the price of domestic steel in 1988 of, at most, 0.1 percent. The ITC considers this an upper bound number.

What this report lays to rest are the complaints we've heard from a few steel consumers claiming that VRA's caused price increases in 1988 of up to 60 percent in some steel products. There is absolutely no evidence link-

ing VRA's to these kinds of price increases in 1988.

AISI went on to note that the ITC looked at the effects of VRA's on seven steel using industries and found that VRA's had little or no effect on prices of steel for those industries.

Mr. President, I would ask that a release from AISI describing these findings by the ITC be printed in full in the RECORD.

The release follows:

ITC AGAIN SUPPORTS DOMESTIC STEEL INDUSTRY'S POSITION: RECENT PRICE INCREASES NOT CAUSED BY VRA'S

WASHINGTON, DC.—For the second time in as many months, the U.S. International Trade Commission (ITC) has determined that steel Voluntary Restraint Agreements (VRAs) have had a negligible, if any, impact on prices of domestically produced steel, according to the American Iron and Steel Institute (AISI).

Last month, the ITC found in its Western States study that "it appears overwhelmingly likely that the current price effect of the VRAs, if any, is negligible."

In its just-released report to the Subcommittee on Trade of the House Committee on Ways and Means entitled "The Effects of the Steel Voluntary Restraint Agreements on U.S. Steel-Consuming Industries," the ITC quantified what it meant by "negligible." It found that VRAs increased 1988 prices of domestically produced steel by, at most, 0.1%. The ITC explained that, because of its methodology, this number, as well as others, "should be interpreted as 'upper bounds'."

"Taken together these two studies by the ITC clearly demonstrate that VRAs have not affected our industry's steel prices and that claims to the contrary are nonsense, pure and simple," said Milton Deaner, President of the AISI.

"The domestic steel industry is pleased with this latest positive report and hopes this price increase myth has finally been put to rest," Deaner continued.

The ITC report cites the flexibility of the VRA program as compared to traditional import quotas stating that it "enables increased imports in periods of greater scarcity."

It asserts that VRAs last year did not affect the operations of steel-consuming industries because "nearly all of the VRA countries exported less steel to the United States in 1988 than they were allowed. For these countries, the VRAs did not reduce imports in that year and, consequently, did not affect the price of steel in the United States..."

The ITC examined the effects of VRAs on seven specific steel consuming industries. It stated:

"The VRAs appear to have had little effect on the automotive industry."

"The VRAs do not seem to have materially affected the FSS (fabricated structural steel) industry. Pricing and availability of steel inputs were not cited by industry officials as major problems... VRAs are believed to have benefited the industry because of their effect on the supply of imported FSS products, especially in the west coast market."

"U.S. producers of farm machinery indicate that they have experienced few direct ill effects in their industry from the VRA program... The companies in the industry reportedly prefer not to buy steel from for-

eign sources because of quality concerns and even longer shipment lead-times..."

In the major household appliance industry, despite the tight market, "none reported adverse effects on production or sales... Although a majority of the major appliance producers stated that VRAs had an effect on steel prices, it was difficult for them to quantify the effect of price increases."

In the forging industry the report stated "inasmuch as the VRAs for steel bars were not binding (80 percent of quotas were filled in 1987; the available information indicate that the level was significantly lower in 1988)... price increases would appear to be directly attributable more to stronger global demand and reduced supply of steel products in the U.S. market, reflecting domestic restructuring and capacity cutbacks, and to the depreciation of the dollar relative to other currencies rather than VRAs."

In the metal stamping industry, the report said "given the strong international market for steel and the significant depreciation of the dollar... the degree to which VRAs contributed to... higher prices and longer lead times is not clear."

U.S. producers of construction machinery equipment "are reluctant to single out the VRAs as an important cause of increased domestic steel prices... Industry representatives do not believe that the VRAs have had a significant effect on the overall competitiveness of the U.S. construction machinery industry."

As with last month's report, the ITC again found that overseas steel markets are more costly than the U.S. market. This means that domestic steel consumers pay less for their steel than foreign consumers pay abroad. Companies like Caterpillar, for example, can buy plate steel in the U.S. for 26% less than its major international competitor, Komatsu, pays in Japan.

Caterpillar has led the charge in opposition to VRAs.

"It is hard to believe that Caterpillar is serious when it suggests that it has been injured by VRAs. Last year they reported record profits as well as record foreign sales," Deaner noted.

Extension of the steel VRA program is supported by over 370 steel using consumers, large and small alike. They are organized in the Coalition for a Competitive America and have testified on Capitol Hill that their support of the program is based on the need for a strong domestic steel industry that can provide them with a reliable supply of high quality steel at competitive prices.●

STEEL POLICY

● Mr. ROCKEFELLER. Mr. President, in the May 22 edition of Business Week magazine, there is a thoughtful piece by Robert Kuttner, economics correspondent for the New Republic, entitled: "Why Scrap a Steel Policy That Works?"

As we begin the debate on the future of U.S. steel policy, I commend this article to my colleagues. Mr. Kuttner makes the point that since the late 1970's, every major steel producing nation has continued to subsidize steel and no country, except the United States, is a net importer of steel.

Mr. Kuttner notes that in response to this, the Reagan administration in-

stituted the VRA Program and that the program has been a success. Mr. Kuttner urges the administration to extend the VRA Program and "use it as a lever" to negotiate an international consensus to stop unfair trade practices in steel. I could not agree more. Mr. President, I ask to have Mr. Kuttner's article printed in the RECORD.

The article follows:

WHY SCRAP A STEEL POLICY THAT WORKS?

(By Robert Kuttner)

The Bush Administration is weighing whether to extend the so-called Voluntary Restraint Agreement program in steel, which expires Sept. 30. VRAs currently limit imports of steel to about 20% of the total U.S. market. We will soon get a familiar lecture from laissez-faire crusaders pointing out that the U.S. steel industry is not profitable, that it no longer needs protection, that American steelworkers are overpaid, and that by free-market principles we should buy our steel from whoever makes it most cheaply. If foreigners are dumb enough to subsidize their steel, Americans should accept the gift.

This all seems to make sense, until one grasps that the global steel industry does not play by the rules of the free market. For better or worse, most advanced industrial nations find it in their national interest to make steel—whether to develop experience in advanced production, to assure supply, for merely for prestige. As new entrants joined the steelmakers' club in the 1970s, established producers responded by redoubling investment in more efficient plants, adding to world overcapacity.

Since the late 1970s, every major steel-producing nation has continued to subsidize steel, and none other is a net steel importer. The European Community alone has spent about \$35 billion on steel subsidies over the past decade. Because of the staggering cost of allowing mills to sit idle, producers have a huge incentive to dump excess steel—guess where?

WRONG RULES

The U.S., the only major producer willing to take imports, initially responded as if other nations were playing by the rules of Adam Smith. The Carter Administration concocted a "trigger-price mechanism" intended to allow imports at a "fair" price reflecting the true costs of the world's most efficient (read Japanese) producers. But European producers dumped steel in the U.S. at the Japanese price, and the oversupply crisis worsened.

As the only competitor playing by free-market rules, U.S. steel producers suddenly faced staggering losses. They closed down plants, idled workers, and extracted pay cuts, reducing their production from a peak of 137 million tons in 1973 to just 77 million a decade later. Had this pattern continued, foreign subsidized steel would have all but obliterated U.S. steelmaking. Finally, in 1984, Congress and the Reagan Administration devised a quota program, holding imports to about 20 percent of the U.S. market. As the world's principal sponsor of free trade, our government awkwardly disguised this as a system of "voluntary" restraints. Thanks to this quota program, the American steel industry, after losing a sickening \$11.6 billion from 1982 to 1986, turned profitable again in 1987, earning about \$1 billion. It earned about \$2 billion in 1988 and anticipates about the same in 1989.

What we have here, gentle reader, is an industrial policy for steel. The conservative Reagan Administration put aside its ideological qualms and concluded that retaining domestic steelmaking was in the national interest. It even went so far as to allocate capital investment—an even more grievous sin—when it required that profits generated by the import restraints be reinvested in steel modernization, rather than follow freemarket paths to higher-yield investment such as oil companies.

NO FOOLS

Most shocking of all, this industrial policy has been a success. For the first time in a decade, the prospect of assured markets made it rational for steelmakers to reinvest. During each year of the VRA program, reinvestment exceeded net earnings. Today, American industry produces steel at an average price about \$130 a ton cheaper than Japanese steel. And contrary to predictions, the import restraint has not led to runaway inflation. Steel prices have lagged behind the consumer price index by about 20 percent. Price gouging is limited by competition from minimills in some product lines. A "short supply" provision allows quotas to be waived when steel customers are unable to get product from domestic suppliers. And though steelmakers are indeed an oligopoly, they are no fools. Price hikes would be the wrong signal to send Congress; VRAs have engendered prudent restraint.

Like it or not, the rest of the world does not consider laissez-faire a suitable crucible for the steel business. But this has not prevented enormous increases in productivity from occurring under mercantilist auspices. Accepting foreign subsidized steel is no bargain when foreign cartels are driving us out of the business. Cartels are also very adept at gouging, once customers are captive.

If we can't persuade the rest of the world to let Adam Smith dictate steel production, it would be far better to negotiate an agreement acknowledging that everyone is somewhat mercantilist. Some balance could be achieved by limiting worldwide subsidies and requiring those nations seeking a shot at our import market to open their own domestic markets to a comparable degree. The "first best" of perfectly free trade in steel is a delusion. The Administration should extend the VRA program, fine-tune it, and use it as a lever to negotiate a reasonable second best, where all steel-producing nations at least play by reciprocal rules.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the latest budget scorekeeping report for fiscal year 1989, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is over the budget resolution by \$0.9 billion in budget authority, and over the budget resolution by \$0.4 billion in outlays. Current level is under the revenue floor by \$0.3 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section 311(a) of the Budget Act is \$135.7 billion, \$0.3 billion below the maximum deficit amount for 1988 of \$136 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 6, 1989.

HON. JIM SASSER,
Chairman, Committee on the Budget,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1989 and is current through June 2, 1989. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the most recent budget resolution, H. Con. Res. 268. This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, Congress has taken no action that affects the current level of spending or revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 101ST CONG., 1ST SESS., AS OF JUNE 2, 1989

(in billions of dollars)

	Current level ¹	Budget resolution H. Con. Res. 268 ²	Current level +/— resolution
FISCAL YEAR 1989			
Budget authority.....	1,233.0	1,232.1	.9
Outlays.....	1,100.1	1,099.8	.4
Revenues.....	964.4	964.7	— .3
Debt subject to limit.....	2,781.2	2,824.7	— 43.5
Direct loan obligations.....	24.4	28.3	— 3.9
Guaranteed loan commitments.....	111.0	111.0	—
Deficit.....	135.7	136.0	— .3

¹ The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of H. Con. Res. 268. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

² In accordance with sec. 5(a)(b) the levels of budget authority, outlays, and revenues have been revised for catastrophic health care (Public Law 100-360).

³ The permanent statutory debt limit is \$2,800,000,000,000.

⁴ Maximum deficit amount (MDA) in accordance with sec. 3(7)(D) of the Congressional Budget Act, as amended.

⁵ Current level plus or minus MDA.

PARLIAMENTARIAN STATUS REPORT, 101ST CONG., 1ST SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1989, AS OF CLOSE OF BUSINESS JUNE 2, 1989

(In millions of dollars)

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues.....			964,434
Permanent appropriations and trust funds.....	874,205	724,990	
Other appropriations.....	594,475	609,327	
Offsetting receipts.....	— 218,335	— 218,335	
Total enacted in previous sessions.....	1,250,345	1,115,982	964,434
II. Enacted this session:			
Adjust the purchase price for nonfat dry dairy products (Public Law 101-7).....			— 10

PARLIAMENTARIAN STATUS REPORT, 101ST CONG., 1ST
SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1989,
AS OF CLOSE OF BUSINESS JUNE 2, 1989—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Implementation of the bipar- tisan accord on Central America (Public Law 101-14)	-11		
Total enacted this ses- sion	-11	-10	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring fur- ther appropriation action:			
Dairy Indemnity Program	(1)	(1)	
Special milk	4		
Food Stamp Program	253		
Federal Crop Insurance Cor- poration fund	144		
Compact of free association	1	1	
Federal unemployment bene- fits and allowances	31	31	
Worker training	32	32	
Special benefits	37	37	
Payments to the Farm Credit System	35	35	
Payment to the civil service retirement and disability trust fund ²	(85)	(85)	
Payment to Hazardous Sub- stance Superfund ²	(99)	(99)	
Supplemental security income	201	201	
Special benefits for disabled coal miners	3		
Medicaid:			
Public Law 100-360	45	45	
Public Law 100-485	10	10	
Family support payments to States:			
Previous law	355	355	
Public Law 100-485	63	63	
Veteran's compensation COLA (Public Law 100- 678)	345	311	
Total entitlement au- thority	1,559	1,121	
VI. Adjustment for economic and technical assumptions	-18,925	-16,990	
Total current level as of June 2, 1989	1,232,969	1,100,103	964,434
1989 budget resolution H. Con. Res. 268	1,232,050	1,099,750	964,700
Amount remaining:			
Over budget resolution	919	353	
Under budget resolution			266

¹ Less than \$500,000.

² Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.●

RULES OF PROCEDURE FOR THE IMPEACHMENT TRIAL COM- MITTEE ON THE ARTICLES OF IMPEACHMENT AGAINST JUDGE ALCEE L. HASTINGS

● Mr. BINGAMAN. Mr. President, on May 17, 1989, the Impeachment Trial Committee on the Articles of Impeachment against Judge Alcee L. Hastings, adopted two rules to govern aspects of its pretrial proceedings.

The first rule, adopted pursuant to rule 26.7(a)(2) of the Standing Rules of the Senate, reduces to one member the committee quorum for taking sworn pretrial testimony. Judge Hastings and the House managers have asked to examine certain witnesses in advance of the committee's evidentiary hearings, which will begin on July 10, 1989. Although the pretrial examination of witnesses in a Senate impeachment proceeding is unprecedent-

ed, the committee has concluded that it should, in the circumstances of the present impeachment, permit a limited number of them. The rule implements the committee's determination that pretrial examinations may proceed before a quorum of one member. As with the impeachment proceedings concerning Judge Claiborne, the committee's evidentiary hearings will take place in the presence of a natural quorum of at least 7 of its 12 members.

The second rule provides that a pretrial procedural ruling by the chairman of the committee, in consultation with the vice chairman, shall be distributed to members of the committee. The ruling shall stand as the ruling of the committee, unless a member asks that a committee vote be taken on it. Senate impeachment rule XI grants to the chairman of an impeachment trial committee the power granted by impeachment rule VII to the presiding officer of the Senate to "rule on all questions of evidence including, but not limited to, questions of relevancy, materiality, and redundancy of evidence and incidental questions." This power is subject to the right of any member to ask that a formal vote be taken.

Because pretrial rulings by the chairman, in consultation with the vice chairman, may occur between meetings of the committee, the committee concluded that there should be a rule providing for distribution of rulings to committee members. Any member of the committee may then ask for the convening of a meeting and for a vote on the matter. This rule does not delegate new authority to the chairman to rule on evidentiary and other questions, but assures that the committee will be able to exercise its power to review and revise the chairman's rulings.

I hereby submit those rules and ask that they be printed in the RECORD, as follows:

RULE 1—QUORUM FOR THE TAKING OF PRETRIAL TESTIMONY

One member shall constitute a quorum for the purpose of a pretrial examination of a witness at which sworn testimony is heard and evidence taken.

RULE 2—PROCEDURE FOR PRETRIAL DISPOSITION OF PROCEDURAL MATTERS

All rulings made by the chairman, in consultation with the vice chairman, on pretrial procedural matters shall be distributed to each member of the committee and, consistent with rules VII and XI of the Rules of Procedure and Practice in the Senate when sitting on impeachment trials, shall thereafter stand as the ruling of the committee, unless any member shall ask that a meeting be convened to consider and vote on any such ruling.●

PROTECTING FREEDOM OF CHOICE

● Mr. WIRTH. Mr. President, during the next few weeks, a number of let-

ters from men and women all over the country who are deeply concerned about protecting the right to reproductive choice will be read into the CONGRESSIONAL RECORD.

I am proud to share with my colleagues a letter from a constituent, Linda Harroun, MSW of Colorado Springs. Ms. Harroun's letter tells a personal story that should distress us all. A story made even more tragic by the fact that it could have been prevented. This letter expresses one of the many reasons that we must protect the right to reproductive choice. I ask that the text of Ms. Harroun's letter be inserted in the RECORD.

The letter follows:

I was seventeen in 1964, an honor student and leader in my church youth group. My sex education came from a Kotex publication which my mom handed me when I started my period. My boyfriend and I were planning to be married the following June after our first year in college. I got pregnant about the time of my high school graduation.

For the first two or three months I denied that it was happening. I would not tell my parents. An illegal abortion was not in the realm of possibility—I didn't know where to go, had no money of my own and was scared witless by an article in Reader's Digest. So I denied the situation for awhile, contemplated running away, contemplated suicide. As I became more obviously pregnant, I became more panicked. Couldn't someone tell what was going on and help me?

I did dangerous things to cause a miscarriage. I tried vigorous exercise and my boyfriend jumped on my stomach while I was lying down. I even poked myself with the proverbial coathanger.

Nothing worked until I finally drank cod liver oil which started labor pains. I eventually delivered 5 month old twins who lived a few hours. I was suffering from infection from the coathanger which might have proved fatal if it hadn't been treated.

My boyfriend and I married and had two sons. At another time in my marriage I chose abortion which fortunately by then was legal. I know from personal experience that women will control their reproductive lives whether abortion is legal or not. I also know that if abortion is illegal, women will die and some will be permanently physically or mentally affected.

Never again should a young woman have to face an unwanted pregnancy alone and frightened. And never again should a woman risk her life to control her reproduction.●

CONVENTIONAL FORCE REDUCTIONS IN EUROPE

● Mr. WIRTH. We are presented today, Mr. President, with a unique opportunity to dismantle the military confrontation that has divided Europe for over forty years. Powerful economic and political incentives are at work to reduce the burden of defense on the economies of both the East and the West. These incentives coincide with a recognition that the level of military confrontation in Central Europe is far out of proportion to any reasonable

defense needs or political rationale. I believe President Bush's dramatic proposal at the recent NATO summit to reduce substantially through negotiation U.S. forces in Europe is a reflection of these pressures, and it is a proposal which I strongly support.

President Bush's proposal contains four key elements. First, it seeks to codify previously agreed to ceilings on tanks and armored troop carriers. Currently agreed to ceilings of 20,000 tanks and 28,000 armored troop carriers would result in substantial reductions for both sides, totaling approximately 40,000 tanks and 61,000 troop carriers. Similar ceilings and reductions on artillery pieces are also called for.

Second, the Bush proposal would broaden the NATO negotiating position to include a reduction in land-based fighter aircraft and helicopters to 15 percent below current NATO levels. This would result in a ceiling on fighter aircraft of approximately 3,300 planes on each side and total reductions of approximately 4,000 aircraft. Helicopters would be reduced by a total of approximately 2,000 aircraft to a level of close to 2,100 helicopters on each side.

Third, the proposal would again broaden the NATO negotiating position by including ceilings on the total number of troops. Troop strength in Europe would be reduced to 275,000 personnel on each side. This ceiling would reduce Soviet troops by as much as 325,000 and American troops by 30,000—or approximately 20 per cent of United States troop strength in Europe.

Finally, the Bush proposal calls for the acceleration of the timetable for proposed reductions. If the Soviet Union agrees with the NATO proposals, the President stated that he is prepared to sign an agreement within 6 months to a year and implement reductions by 1992 or 1993. All of the weapons systems and personnel affected by the reductions would be dismantled or demobilized.

President Bush's arms reduction proposal outlined last month in Brussels could save the United States over \$2 billion annually and lead the way to a new European order based on peace and stability at lower levels of armaments. I am encouraged by the progress that has been made thus far in the Vienna conventional force negotiations and welcome President Bush's bold proposal to bring them to a swift and successful conclusion. Decades of mutual mistrust and military confrontation cannot be made to disappear easily. The new political climate in Europe and the Soviet Union, however, provides the western alliance with a historic opportunity to reverse the pattern of mistrust and confrontation. Mr. President, I believe that we should seize the opportunity, and that Presi-

dent Bush's recent proposal puts the West on that path.

Mr. President, in the coming months the Senate will be called upon to examine the important issue of conventional arms reductions in Europe. I commend to my colleagues an article titled "Conventional Arms Control: The Search For a Political Vision," by Stanley R. Sloan, a Senior Specialist in International Security Policy with the Congressional Research Service and will ask that the article be inserted into the RECORD at the conclusion of my remarks. Mr. Sloan is widely recognized as an expert on the issues related to conventional arms reductions in Europe and has written extensively on this subject. This article was written prior to the NATO summit, and reflects what appears to have been President Bush's own conclusion: in order to seize the opportunity at Vienna the United States will have to demonstrate strong political vision and leadership.

I ask that the article to which I have referred be printed in the RECORD.

The article follows:

CONVENTIONAL ARMS CONTROL: THE SEARCH FOR A POLITICAL VISION

(By Stanley R. Sloan, Senior Specialist, International Security Policy, US Congressional Research Service ¹)

The Alliance countries had virtually everything required for opening the new negotiations on Conventional Armed Forces in Europe (CFE) when they began in Vienna on 9 March. They had a coordinated set of Western reduction objectives, agreement with the Warsaw Pact countries on the general mandate for the negotiations, a generation or two of seasoned conventional arms negotiators, and even some optimism that, unlike the MBFR negotiations², the new talks could yield results.

What the allies lacked, however, was a comprehensive political vision of the sort of Europe toward which these negotiations should lead. A survey of the many documents that make up the Western approach to the new talks reveals a variety of important military goals and even some political vision. The Western approach was summarized by NATO leaders at their March 1988 summit when they declared that the negotiations should seek 'to establish a situation in Europe in which force postures as well as the numbers and deployments of weapon systems no longer make surprise attack and large-scale offensive action a feasible option.' It is hoped that the necessary broad political framework for the talks will be established by the allies when they meet at the end of May for a further summit meeting.

WESTERN POSITION

The opening Western position is based on a complex formula designed to produce reductions in NATO and Warsaw Pact tanks, armoured troop carriers and artillery down to approximately 90 to 95 per cent of cur-

rent NATO levels. Overall limits would be set on total holdings of armaments in Europe by NATO and Warsaw Pact countries: the total of NATO plus Warsaw Pact tanks, for example, could not exceed 40,000, troop carriers 56,000, and artillery 33,000. Within these limits, no one country could deploy more than 30 per cent of the total. This formula is designed to ensure that reductions cut more heavily into Soviet than East European forces, because Soviet forces are the leading edge of the military threat against the West as well as an instrument of Soviet political influence and control in Eastern Europe.

The Western position is based on the argument that forces asymmetries favouring the Pact are the main source of potential military instability in Europe. Throughout NATO's 40 years, the Soviet Union and its East European allies have deployed conventional military forces that outnumber those of the Western states and which are trained, equipped and deployed to facilitate offensive operations against the West.

The MBFR negotiations had focused on defence manpower as the key indicator of military strength. Differences between NATO and the Warsaw Pact forces became the main technical obstacle to an agreement. Throughout MBFR's history, however, the real problem blocking agreement was a shortage of political will. On the Western side, the existence of negotiations was important to many NATO countries but there was no real groundswell of political interest in the talks. In more recent years, many Western analysts became convinced that MBFR's focus on manpower and the exclusion of Soviet territory from the reduction area could yield an agreement that might reduce Western public perceptions of the threat without seriously mitigating the threat itself.

THE CHALLENGE

Set against this legacy, reaching an accord in the new negotiations will require that the participants commit substantially more political will to that goal than they did in MBFR. The Soviet Union and the Warsaw Pact allies have attempted to demonstrate their political will by announcing unilateral cuts to be made over the next two years. These unilateral reductions, if implemented, would cut into, but not eliminate, the numerical advantages which the Warsaw Pact holds over the West. Soviet leader Gorbachev has also produced a vision of a "common house".

Even if there had been stronger political commitment to reductions on the Western side, however, it is unlikely that an accord would have been reached because agreement would have required even more fundamentally difficult decisions by the Soviet Union. For most of MBFR's history, the Soviet Union was not willing to envision the sort of political change that a conventional arms control agreement with the West would have implied.

European house, which gives some rhetorical shape to the Warsaw Pact's image of Europe's future. The design of that common house remains an open question and the depth of the East's political will is yet to be tested. Opening Warsaw Pact positions in the new talks, while differing from NATO's approach in many ways, demonstrate serious intent and an apparent willingness to compromise.

The challenge to the NATO countries is therefore a complex one. The West's approach must respond to the technical merits

¹ These views are those of the author and not necessarily those of the Congressional Research Service or the Library of Congress.

² The negotiations on Mutual and Balanced Force Reductions, as they were known in the West, opened formally in October 1973 and were ended without reaching agreement in February 1989.

and demerits of likely Eastern proposals and to the military situation as seen by Western countries. The initial Western negotiating position is focused particularly on this requirement.

The West's approach must also have sufficient political character to respond to Eastern political images, such as the European house, and the potential for revolutionary change in the structure of East-West relations in Europe. The West's opening position reflects the goal of diminishing Soviet control over the internal policies of its East European allies. But this political goal may be an insufficient foundation on which to build the structure of a new European security system that a verifiable and stabilizing conventional force cut regime would require.

Past Soviet policies and behaviour engendered a set of almost automatic and well-deserved suspicious reflexes in the West. We know how to deal with the 'old' Soviet Union. Should the Soviet Union revert to its old ways, NATO would have very little difficulty returning to the tried and proven policies developed over four decades of confrontation. On the other hand, if Gorbachev leads the Soviet Union toward policies and practices that are more compatible with Western interests, the West will have to develop new responses. The West's approach to the CFE negotiations is still only partly developed in this area.

Finally, the West's approach will have to respond to political and economic requirements arising within the Western Alliance itself. The West's negotiating approach will not only be tested in the meeting rooms of Vienna's Hofburg palace. It will also be questioned and critiqued in the parliaments and news media of member countries. The approach will be measured against political and economic constraints on defense spending as well as against the technical merits and political vision of the East's position.

Even though it is common today for commentators to emphasize the decline of US influence and power relative to its allies, the NATO Alliance still depends on US leadership to give impetus and direction to Alliance policies. Most planning for the new CFE talks came at a time when Ronald Reagan's presidency was winding down, with most of its arms control energy spent on successful negotiation of the US-Soviet treaty eliminating intermediate range nuclear force (INF) missile systems.

Now that a new administration has taken over in Washington, the NATO Alliance is in a better position to develop a more far reaching political context for its approach to the CFE negotiations. Capable diplomats and experts from many allied nations constructed a credible opening position for the Alliance. Now the new Administration of President George Bush has an opportunity to give the position the added political weight and vision that such negotiations require for success.

TOWARD A POLITICAL VISION

It is much easier to note the absence of political vision than to articulate one that will respond effectively to the disparate perspectives and requirements of 16 sovereign nations. Nonetheless, the process might begin by asking a series of questions about goals for the new negotiations.

What response to Gorbachev?

The most immediate requirement for US and NATO policy is to decide how to respond to the unilateral Soviet cuts announced by Mikhail Gorbachev in a speech to the United Nations General Assembly on

7 December 1988, and the parallel East European announcement of military reductions that followed. The initial NATO response of "nice but not enough" was a good start, particularly because it was supported by NATO's release of detailed data on existing force disparities favouring the Warsaw Pact countries.

Given the necessity of resolving inevitable differences over the definitions and levels of forces to be reduced, it would be logical for the West to propose cooperative monitoring measures to be implemented while the East's unilateral reductions are being made. The willingness of both sides to expand the scope of such cooperation in a way intended to facilitate mutual reductions would build confidence in the process and suggest the first outlines of a changing European security system.

What kind of European security system?

The process of identifying the kind of European security system the West is seeking necessarily involves some difficult political questions. Should NATO and the Warsaw Pact remain central features of that system? What role will nuclear weapons play in Western strategy? Should the United States remain a central actor in determining directions for the European security system, or should its role diminish? Do the two Germanies have a special role to play in the evolving East-West relationship in Europe? What role does the European Community (EC) have in this process? How would the EC's expansion to include in some way neutral Austria and even Warsaw Pact member Hungary affect the future shape of European security arrangements? How does West European defense cooperation fit in with a changing East-West security relationship? These are just a few of the important questions that should shape the discussion of cooperative East-West military security policies.

It at least appears possible that the CFE negotiations could lead toward the goal of a more cooperative European security system. While such a concept is not nearly as grandiose as that of a "European house", it may be a more practical concept for moving from a system characterized primarily by East-West competition and tension to one marked increasingly by cooperation and détente. Such a concept includes the broad range of cooperative measures that a more stable East-West military relationship would imply.

How does CFE relate to political and economic trends in the West?

Domestic circumstances in the NATO member countries have had very little apparent impact on the shaping of the West's initial approach to the CFE talks. In fact, the Western proposal that NATO's forces be reduced by only five to ten percent surprised many observers because it did not appear to respond to the manpower shortages facing the Federal Republic of Germany and other European countries or the budget difficulties facing the United States. Those who have followed conventional arms control closely know that the position is based on military analyses which conclude that NATO could not make substantial reductions without fundamentally altering its defence posture.

Now that the talks have achieved substantial prominence in the Western press, however, they may increasingly be seen in terms of the broader political and economic circumstances facing NATO countries. In the first few months of the 101st Congress in the United States, the issue of conventional

arms control has commanded the sort of attention that in the past has been reserved for strategic nuclear arms control issues. Facing difficult budget decisions, many Members of Congress would like to find some hope for eventual relief in conventional arms control. This dynamic may lead to pressure for more substantial Western reductions, and European public opinion may lead in similar directions, particularly given the substantial reductions foreseen in the Warsaw Pact's proposals.

What role for the United States in Europe?

The new Bush Administration and the Congress may have to give serious thought to the broader goals that the United States should seek in this highly political arms control process. Widely divergent perspectives undoubtedly will contend for the attention of policymakers. Some Americans may see the negotiations as a way for the United States safely to disengage from active involvement in European security affairs. Influential American participants in the ongoing transatlantic 'burden sharing' debate may see conventional arms control as the device for shifting US expenditures away from European and toward domestic programmes or other defence requirements.

Others may see the negotiations not as a way for the United States to pull back from Europe, but as a way to help shape and participate in a new European security system. Many traditional supporters of the Atlantic Alliance will likely believe that even if the United States is able to reduce its military involvement in European security affairs, it cannot afford to cut back on its political involvement even in a more cooperative European security system.

Yet others may see the negotiations simply as a vehicle for maintaining the status quo, protecting the Western Alliance and preserving the US role in that Alliance while effectively rebutting Warsaw Pact proposals for change. Many Americans remain unconvinced that we have crossed the threshold of a new era of relations with the Soviet Union. The positive trends today could simply be a master plan for Soviet *revanchism* from a stronger economic base. Or, even if Mr. Gorbachev is sincere in his protestations of benign intentions, he may be overthrown and succeeded by a less agreeable Soviet leadership.

BROADENING THE WESTERN APPROACH

With all these competing perspectives, the West will have to find a methodology that can accommodate both optimistic and sceptical perspectives on the prospects for conventional arms control. One way to develop a more thorough political approach to the negotiations would be to look at the West's position as a series of stages. Each stage would test the political will required to move on to the next stage.

The first stage would respond directly to the unilateral Warsaw Pact withdrawals by proposing that cooperative monitoring be in place at the end of the withdrawal period to help clarify the existing situation on both sides prior to moving on to negotiated reductions. The types of measures that would be required, such as thorough on-site inspection of units, garrisons, and the like throughout the Atlantic to the Urals area would be required in any case to verify compliance with any eventual reduction accord. Implementing such cooperation early on would facilitate mutual reductions in the next stage.

In a second stage, NATO would seek essentially its initial reduction goal of cuts down to 90 to 95 per cent of current NATO levels accompanied by cooperative measures carried over from, or built on, those developed in the first stage.

A third, and much more far-reaching stage, would respond to the widespread desire in the West to reduce military efforts and transfer resources to domestic requirements. In this stage, NATO and Warsaw Pact forces, having achieved rough parity in stage two, would be reduced by a substantial additional proportion. Some Western politicians and experts including former Supreme Allied Commander Europe General Andrew J. Goodpaster, have proposed that cuts could go to 50 per cent of current NATO levels.

This step would require restructuring of forces on both sides which presumably could be contemplated by the West under the much reduced threat that would then be posed by Warsaw Pact forces. This third stage would also include all the components of a more cooperative European security system including on-going crisis-avoidance arrangements, cooperative monitoring of military activities, and regulation of qualitative as well as quantitative aspects of military relations in Europe.

Such an approach would hold open the prospect of revolutionary change in East-West military relations while building such change on a cautiously incremental process. The individual steps of the process would likely take a decade or more to accomplish, ever under the best of circumstances. Conditions could change in the East, making even the most basic of cooperative measures difficult. But with such an approach, the West might be able to develop both a vision, and a way to test that vision's practicality, without sacrificing its basic values or security interests. ●

HAL ROSENBLUTH: AN INDUSTRY LEADER

● Mr. CONRAD. Mr. President, I rise today to pay tribute to a leader from the private sector, Mr. Hal F. Rosenbluth. Hal Rosenbluth is president and chief executive officer of Rosenbluth Travel, a Philadelphia-based travel agency.

I have come to know Mr. Rosenbluth over the past year because he has located a branch office of Rosenbluth Travel in my home State of North Dakota. Last summer, as Hal listened to reports about the devastating drought which swept this country, he decided he should do something to help. At 7 a.m. one morning, Hal convened a meeting of his high level staff to discuss options for assisting a drought-stricken area. Instead of making a donation, Hal decided to open a temporary office in a community affected by the drought.

The U.S. Department of Agriculture determined that North Dakota was hardest hit by the drought, and Linton, ND, was deemed to be in dire need of help. Hal provided that help. Originally offering 20 positions, he received so many applications that he established 40 part-time positions in his new Linton temporary office.

What was good for North Dakota was good for Hal, too. His absenteeism was zero; his productivity was up. In October, Hal announced that the office would become permanent.

This instance is only one example of the many innovative activities that Rosenbluth engages in. Rosenbluth Travel, started in 1882 as a family business, is on the cutting edge of the service industry. Hal joined the firm in 1974, became president in 1985 and president and chief executive officer in 1987. Under Hal Rosenbluth's leadership, Rosenbluth has risen from a \$20 million company to one with assets in excess of \$800 million. The company employs over 2,000 associates all over the country, and is the third largest of the nearly 25,000 U.S. travel agencies.

Hal's leadership has been recognized repeatedly. Fortune magazine dubbed this 36-year-old CEO an executive to watch in their People to Watch column. Tom Peters, internationally acknowledged excellence expert, was so impressed by Rosenbluth's operation that he named Rosenbluth Travel service company of the year. Peters' noted Rosenbluth Travel has redefined a mundane business through an astonishing array of proprietary software that helps corporate clients track and manage their costs.

Rosenbluth has taken the idea of locating data-based industries in rural areas and run with it. He has encouraged his colleagues in the travel business, and some of his major clients, to consider locating branch offices in States like North Dakota. In this age, telecommunications technology is making distance obsolete, meaning that rural areas can serve as information hubs.

A recent report by the Aspen Institute called on the Federal Government to improve rural telecommunications with financial support. The report states:

To reap the benefits of the Information Age, rural America needs a modest but vital investment in telecommunications. Such investment can remove a major barrier to rural economic development, stimulate more efficient private sector markets, and increase opportunities for rural residents to better their own lives.

Mr. President, Hal Rosenbluth has made clear that data-based industries can locate in rural areas. And he has led the way to encourage such movement—stories about the Linton office of Rosenbluth Travel have appeared in the Wall Street Journal, the Chicago Sun Times, and Knight-Ridder publications throughout the country.

Mr. President, I rise today to recognize Hal F. Rosenbluth, both for what his initiative has meant for my own State of North Dakota, and to commend him for his excellence: his service, his leadership, and his innovation.

Mr. President, I ask that an article from the Grand Forks Herald of Janu-

ary 29, 1989, be inserted in the RECORD. It is one of many which has been written on the Rosenbluth operation in Linton, ND. I call it to my colleagues' attention and urge them to applaud the efforts of business leaders like Hal Rosenbluth.

The article follows:

[From the Grand Forks (ND) Herald, Jan. 29, 1989]

TRAVEL AGENCY, N.D. TOWN COME TO EACH OTHER'S RESCUE

(By Tom Belden)

For Louella and James Klein, who have raised grain and dairy cattle on 1,000 acres just north of Linton, N.D., for 25 years, the drought that gripped much of the nation last year wasn't just tough. It was devastating.

Like most farm families around Linton, a town of 1,500 situated in the dry, rocky hills of south-central North Dakota, when the Kleins lost their crops, they also lost most of their income. There was a good chance they might have even lost the farm, which James Klein inherited and where the couple has reared their five children.

That's why there's an overabundance of thanksgiving in Linton over what Hal Rosenbluth dreamed up last summer, sitting on the deck of his home in the sweltering heat of a Philadelphia evening.

The president of Philadelphia-based Rosenbluth Inc., the nation's third-largest travel agency with \$700 million in annual billings, first thought it would be a nice gesture to make a contribution of some sort to the drought-stricken farmers.

After some research, his staff determined that the drought probably hit North Dakota hardest because it depends more on agriculture than any other state. The office of Gov. George Sinner told Rosenbluth that the south-central part of state was having the worst time of it.

What happened next was a stroke of good fortune for both the people of Linton and the travel-management company.

Within a few weeks, Rosenbluth executives were in Linton, a spot the chamber of commerce cheerfully says is at "the belt buckle of the Dakotas, where the cattle are fat and the fish are floppin'," looking to add 40 part-time employees to their nationwide work force of 2,000.

Like Louella Klein, all the employees had to be from farm families hurt by the drought. All were eager to take jobs at \$5.87 to \$6.65 an hour.

In Linton, where there's little call for normal retail travel-agency work, the new employees went to work at computer terminals, inputting data from paper records on the thousands of business-travel clients Rosenbluth has at companies such as Unisys Corp., Du Pont Co., Eastman Kodak Co. and NBC News. It's the kind of clerical work Rosenbluth could do anywhere.

During a trial period of three months, the quality of the work was so good that the agency now has made the Linton office, in the former showroom of a defunct tractor dealer, a permanent part of its network of 165 offices nationwide.

"It's fantastic, I love it," Klein said. "I've learned so much" because the Rosenbluth supervisors "are just the greatest people to help you. It's kept us on the farm, at least another year. It came in at just the right time. I really feel good about what Hal has done."

Rosenbluth has had his spirits lifted as well, especially after he made his first visit to North Dakota and the Linton office in November.

As soon as he got off an airplane in Bismarck, he was taken to meet Sinner and Sen. Kent Conrad, D-N.D., who wanted to thank him for bringing new jobs to the state. Rosenbluth spent the next day in Linton, meeting his grateful employees and residents and telling them about the company.

The whole effort has turned Rosenbluth into a champion of North Dakota and all of rural America as places for smart businesses to locate branches, now that computers make it easy to link far-flung operations.

"The quality coming out of our Linton office is fantastic," he said in an interview at the company's Philadelphia headquarters after the trip to Linton. "The morale is fantastic. There's no absenteeism; there's no turnover, problems that you have in big cities."

Rosenbluth said it may even be possible someday to set up a corporate-travel reservations center in Linton, linked by computer to Rosenbluth's Philadelphia headquarters, just as the company's nine other corporate centers around the country are.●

CALL TO CONSCIENCE VIGIL

● Mr. McCAIN. Mr. President, freedom is a very precious commodity. We in this country are blessed to have been born into an environment free from oppression. Others around the globe are not so fortunate.

We must commend the Soviet Union for initiating some positive steps to grant to its citizen basic human rights. However, many people in the U.S.S.R., particularly Soviet Jews, are still denied many of the basic tenets of human dignity. Many Soviet Jews still are victims of state-sponsored discrimination in housing, employment, and education. They are often denied permission to leave the Soviet Union and live in another country where they may lead a more full life. They are made second-class citizens.

I want to bring the attention of the Senate to the plight of Boris Rifkin, a Soviet citizen and a Jew. Boris and his wife Dina initially applied to emigrate in 1976. They were victims of religious persecution, and they believed that their children would be discriminated against in higher education. They also desired to join Dina's relatives who resided in the United States. Their emigration request was refused on the ground that Boris allegedly had access to state secrets.

Shortly after the visa applications of the Rifkin family were denied, Boris was fired from his job of 25 years as an electrical engineer. Dina then lost her job as a surgical nurse. To avoid charges of parasitism on the State, Boris was forced to take a job as an elevator repair technician with a tremendous drop in salary. Dina then began working as an elevator operator. Soviet society had branded them refuseniks.

In order to increase their chances of being granted a visa and to ensure a better life for their children, Dina and Boris made the painful decision to go through legal divorce proceedings. The divorce was granted, but the couple continued to live together. After repeated requests, Dina and the children were eventually given permission to leave the U.S.S.R.

Boris' job no longer involves access to state secrets; however, he has been repeatedly denied an exit visa. Boris last applied in April of this year, and was again denied permission to emigrate. He was told by authorities that rejection of his visa application might continue for another 10 or 20 years.

Mr. President, Boris is now separated from this family and waits alone in the Soviet Union. We call on the Soviet Union to grant this man and others in similar situations, the right of freedom of choice. The congressional call to conscience asks that all people be given the dignity of possessing basic human rights. All free men and women everywhere must continue to seek an effective means to persuade the Soviet Union to relent on their policy of oppression, and let freedom have a voice.●

SUPPRESSION OF A PEOPLE BY THEIR OWN ARMY

● Mr. HEINZ. Mr. President, I rise to express my outrage at the brutal suppression of the peaceful student demonstrators in Tiananmen Square in this past weekend. To the best of my knowledge, we are witnessing an act of suppression unprecedented in recent history: The suppression of a people by their own army. There are cases of riot police suppressing demonstrators, but I cannot find evidence of a government ordering its army to turn its guns and tanks on its own people. The People's Liberation Army—at least part of it—has allowed itself to be turned into the "People's Suppression Army." The Government has lost its credibility and legitimacy both in China and abroad.

What makes this suppression so mind numbing and so impossible to comprehend is this: These students were conducting a peaceful demonstration under the Chinese Constitution.

Article 35 guarantees freedoms of speech, press, assembly, association, and of demonstrations.

Article 37 proclaims that freedom of the person or a citizen of the People's Republic of China is inviolable. No citizen may be arrested without due process, and if arrested under due process, the arrest must be by a public security organ. There are no provisions for using the army for such purposes.

Article 41 allows citizens of the People's Republic of China to criticize and to make suggestions to relevant state organs against officials for corruption

and other crimes. This article prohibits retaliation against those bringing charges against Government officials.

Clearly, Mr. President, the Chinese Constitution, as well as thousands of innocent people, were trampled by the tanks during the Sunday morning massacre in Tiananmen Square.

On Monday, the President announced a well-reasoned and balanced policy toward China: The suspension of military sales and exchange of military visits to China, agreeing to extend visas requested by Chinese students studying in the United States, and the offer of humanitarian and medical assistance to those injured.

This policy has as its aim retaining our good will toward the Chinese people and putting pressure on the military to drive a wedge between them and those in the Government ordering them to turn the People's Army on the people.

This is the right strategy. But, Mr. President, the President's policy should square the circle regarding the steps taken toward the Chinese military.

The President has correctly called for the suspension of all sales to the military, which includes the suspension of munitions cases currently under review in Cocom. But the President needs to go further and recognize that there are other items of military significance beyond munitions.

Accordingly, the President should also suspend the review of all dual-use cases in Cocom whose end use or end user is a military organization or a civilian organization with known ties to the military. There are in China many such civilian-military relationships.

Finally, the President should suspend any review currently under way for further liberalization of dual use and munitions export controls to China, including the suspension of any review to create a new dual-use control list for China.

In my view, the President was correct not to invoke a broader array of sanctions at this time, but this is an option that should be left open if the situation warrants it.

Mr. President, the President's message to China's leadership is clear. End the violence. Stop the suppression. His message should be heeded, and the steps I am urging will strengthen it.●

TRIBUTE TO CHIEN-JEN (C.J.) CHEN

● Mr. DASCHLE. Mr. President, it is with great pleasure that today I pay tribute to Mr. Chien-Jen Chen, a great diplomat for the Republic of China on Taiwan and a close personal friend.

Mr. Chen is returning to his home country, where he was recently promoted to Vice Minister of Foreign Affairs. He will be leaving Washington

on June 15 after a long and distinguished career as Deputy Representative at the Coordination Council for North American Affairs Office in Washington, DC.

I congratulate the Government of the Republic of China on Taiwan for their astuteness in selecting Mr. Chen for his new position. His many friends in Washington know him as a skillful diplomat, effective leader, and friend of the United States, and I fully expect that his commitment to further strengthen the longstanding relationship between his country and ours will be one hallmark of his tenure as Vice Minister of Foreign Affairs.

Mr. Chen has served as Deputy Representative for the Coordination Council for North American Affairs [CCNAA] for over 6 years. The CCNAA is the unofficial Embassy of the Republic of China on Taiwan in the United States. In fact, except for a short term in his home country as the Director of North American Affairs at the Ministry of Foreign Affairs, he has served in Washington since 1971. During this time, Mr. Chen has brought continuity to the CCNAA office and has done a tremendous job of fostering mutual understanding of complex issues facing our countries and, thus, enhancing this important bilateral relationship.

I am confident that Mr. Chen will bring to his new position the same openminded and forward-looking views that he has shown throughout his service in Washington. Furthermore, he will continue to bring new and innovative ideas to the foreign policy debate.

C.J. Chen deserves a great deal of credit for working with his colleagues in Taiwan on developing an action plan of steps that his government can take to help reduce the trade imbalance between our countries. Our trade deficit has been a very serious concern to me and other Members of Congress, as well as the American people, and I believe Taiwan has adopted a very positive approach toward resolving this issue.

The political and economic relationship between the Republic of China and the United States is very important to me, and, as a member of the Senate Finance Committee, I have made enhancement of communication and understanding between our countries a priority. I look forward to working closely with Mr. Chen and the Government of Taiwan to forge even closer economic ties between our two countries.

On a more personal note, I have had the distinct privilege of knowing Mr. Chen's wife, Yolanda, and their children. The Chens are a close-knit and talented family, and I expect that we will be hearing much about their achievements in the years ahead.

I wish all the best for C.J. Chen, a great diplomat and leader. He will be missed in Washington, but I look forward to continuing our close relationship after he returns home to assume the position of Vice Minister of Foreign Affairs.●

AMERICAN INDIAN BUSINESS DEVELOPMENT CONSORTIUM

● Mr. RIEGLE. Mr. President, the Select Committee on Indian Affairs is currently considering several bills related to Indian economic development. Under the self-determination policy, Congress has agreed with the tribes that economic development is the key to offsetting the tremendous problems on Indian reservations and communities created by lack of jobs and fragile local economies.

Recently, the select committee conducted a hearing on S. 321 which would amend the Buy Indian Act to ensure that the preference extended to Indian businesses for Federal procurement and contracts is administered in such a manner that only bona fide concerns receive the intended benefits. One of the witnesses at the select committee hearing was the American Indian Business Development Consortium [AIBDC] from Michigan who testified in support of S. 321 and recommended stronger enforcement sanctions against violators of the act.

I commend the members of the committee for their work in this area, and I share their concern about the need to strengthen the Buy Indian Act.

Mr. President, Congress has wrestled with the challenge of promoting economic development in Indian country for many years. Although we have seen some successes, there have also been many disappointments. Such disappointments have occurred largely because the solutions developed in Washington and imposed on the Indian people have had little or no involvement or coordination with State and local governments.

The American Indian Business Development Consortium [AIBDC] of Michigan, however, is a unique example of how Indian business development can be accomplished in concert with tribal, State, and local governments.

The AIBDC is a nonprofit corporation chartered under the State of Michigan and under the direction of a board of directors consisting of tribal chairman and other Indian representatives from Michigan. It assists the development of profitable Indian-owned businesses both on the reservations and in the urban areas and provides technical assistance, training and support to businesses in a wide range of areas such as financing, business plan development, feasibility studies, and Federal procurement contracts.

AIBDC operates under a unique partnership between the Federal, State, and tribal governments. For the past 2 years, Congress has provided modest funding for AIBDC that, in turn, has been matched by an appropriation from the Michigan State Legislature. In addition, AIBDC works closely with the Michigan Department of Commerce which has designated the AIBDC as a Community Growth Alliance Agency—only one of a handful of such organizations certified and funded by the Commerce Department to work on economic development. Mr. President, to my knowledge, this degree of cooperation and coordination between Federal, State, and tribal governments is unique.

I am also pleased to report that the funds we have invested in AIBDC organization are paying great dividends. The organization has achieved remarkable results in its first 18 months of existence—15 new businesses have been generated creating 86 new jobs and over \$2.5 million in funding has been obtained. Each of the Michigan reservations is currently in the process of considering and planning new ventures which will hopefully lead to more business, more jobs, and sorely needed revenue for tribal governments. AIBDC is also establishing the first Indian Business Industrial Development Coloration [BIDCO] in the country. BIDCO's are nondepository financial institutions which consider business ventures that cannot generally obtain financing from commercial lending institutions—a common problem for the Indian business person. All of this activity will increase the self-sufficiency of the Michigan Indian community and will reduce dependency on the Federal Government.

In summary, Mr. President, the AIBDC is a model of effective coordination of resources which is working in Michigan to bring results in the area of Indian business development. I commend the example of AIBDC to the Select Committee on Indian Affairs and to my colleagues as we search for workable solutions to economic development in Indian country.●

REPRESENTATIVE PAYEE ABUSE PREVENTION ACT OF 1989

● Mr. RIEGLE. Mr. President, I rise to join my esteemed colleague from Arkansas, Senator PRYOR, as a cosponsor of S. 1130, the Representative Payees Abuse Prevention Act of 1989.

This piece of legislation addresses a serious deficiency in the provision of Social Security and supplemental security benefits. Currently, the Social Security Administration [SSA] appoints representative payees for those beneficiaries who cannot effectively manage their own benefits because of

mental or physical impairments. Unfortunately, the system that the SSA has established does not adequately protect these most vulnerable of citizens.

The bill proposes necessary improvements in the screening of potential payees, safeguarding of beneficiary rights, and monitoring, auditing, and recordkeeping. By requiring criminal background checks, the bill goes a long way toward preventing the horror stories of convicted felons serving as fraudulent and, at times, abusive representative payees. The bill also clarifies that benefits are not to be withheld from beneficiaries because qualified representative payees are not available. It strengthens beneficiary rights in the process of determination of need for representative payee services. Furthermore, it tightens the accounting provisions of certain high-risk representative payees.

While the SSA has begun to address the weaknesses in its policies and procedures concerning representative payees and should be commended for its initiative, it is important that we provide strong legislative direction without impeding the flexibility that the SSA and its local offices need to meet the diverse needs of the beneficiaries. In addition, it is vital that the SSA commit the necessary resources at the local level to adequately meet the needs of the beneficiaries.

One of the most difficult problems facing local SSA offices is locating enough suitable volunteers to be payees. Family and friends are not always able or willing to serve as payees. To meet the need for caring and responsible payees, groups such as the American Association of Retired Persons have established volunteer programs for their members, and they should be applauded.

A number of nonprofit organizations also have stepped in to satisfy the need for representative payees. One such organization is Guardian, Inc., in Calhoun County, MI. For a small fee, Guardian serves as a reliable representative payee for those beneficiaries for whom the SSA has not been able to find a volunteer payee. Unfortunately, a recently implemented SSA policy has severely hampered Guardian's ability to provide crucial services to beneficiaries. I plan to introduce legislation that will enable organizations such as Guardian to charge reasonable fees so that proper payee services can be provided to beneficiaries.

I would like to make an additional point if I might, Mr. President. Representative payees serve a vital function for both the SSA and the beneficiaries they represent. They do for the beneficiaries what the beneficiaries cannot do for themselves; they insure that the financial obligations and needs of the beneficiaries are met in a cost-effective manner. These payees volun-

teer their time and efforts on behalf of the beneficiaries, and they should be praised for their commitment. Keeping this in mind, we must be careful not to overburden payees with recordkeeping and auditing requirements so that they are no longer willing to be payees. A fine balance must be struck between safeguards to protect beneficiaries and accounting requirements of payees.●

EVENTS IN BEIJING

● Mr. MACK. Mr. President, over the last few weeks the world has witnessed the events in Beijing with a mixture of fascination and abhorrence. Americans have admired the intense desire for freedom and democracy demonstrated by the Chinese people, and been appalled by the brutal suppression of this desire by the Chinese Government.

The free Chinese in the Republic of China on Taiwan have, of course, very strong views on these events. I think it is important that we in the Senate be aware of these views. For this reason, I ask that the following statement of June 4, 1989, by President Lee Teng-hui of the Republic of China on Taiwan be printed in the RECORD.

The statement follows:

STATEMENT BY PRESIDENT LEE TENG-HUI

Early this morning, Chinese communist troops finally used military force to attack the students and others demonstrating peacefully for democracy and freedom in Tiananmen Square in Peking, resulting in heavy casualties and loss of life. Although we anticipated this mad action of the Chinese communists before-hand, it still has moved us to incomparable grief, indignation, and shock.

We believe that the existence of any political regime must be based on the will of the people. The Chinese Communists were able to usurp the Chinese mainland with violence and lies, but there have been constant internal struggles and suppression of the people over the past forty years. In the face of a universal awakening of our mainland countrymen, the inhumane actions of the Chinese Communists are sure to be judged by history, evoke even stronger opposition from our mainland countrymen, and hasten the demise of the Chinese Communists.

With a deeply grieved and heavy heart, I wish, on behalf of the government and people of the Republic of China, to summon all the peace-loving nations and the people of the world who share a concern for human rights to sternly condemn the Chinese Communists; to demand them to put an immediate stop to this bloody massacre; and to demand them to offer their best care and relief to the wounded and families of the dead.

I also summon all Chinese people at home and abroad to put their great love for their countrymen into practice, to closely unite and act as a backup for our mainland compatriots in their struggle for survival and freedom, to support and assist them in every way possible, and to make a complete break with the Chinese Communists.

At the same time, I also wish to remind the people on our bastion of national revival, military and civilian alike, to remain

alert to the Chinese Communists' inclination towards the use of violence and military force, and to be prepared, on the eve of the collapse of the Chinese Communists, for any action that they might risk taking.

The Chinese Communist tyranny is the shame of all the Chinese people of the world. The government and people of the Republic of China must resolutely unite all anti-communist and patriotic forces and exert their utmost efforts to overthrow this tyranny. We pledge not to stop until we have achieved this goal.●

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Order No. 137, Douglas P. Mulholland, to be Assistant Secretary of State; Calendar Order No. 160, Michael W. Farrell, to be an associate judge of the District of Columbia Court of Appeals; Calendar Order No. 161, William M. Diefenderfer III, to be Deputy Director of the Office of Management and Budget; and, Calendar Order No. 162, Constance B. Newman, to be Director of the Office of Personnel Management.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I also ask unanimous consent that the nominees be confirmed en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table en bloc, and that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Douglas P. Mulholland, of Maryland, to be an Assistant Secretary of State.

THE JUDICIARY

Michael W. Farrell, of the District of Columbia, to be an associate judge of the District of Columbia Court of Appeals.

EXECUTIVE OFFICE OF THE PRESIDENT

William M. Diefenderfer, III, of Virginia, to be Deputy Director of the Office of Management and Budget.

OFFICE OF PERSONNEL MANAGEMENT

Constance Berry Newman, of Maryland, to be Director of the Office of Personnel Management.

STATEMENT ON THE NOMINATION OF WILLIAM M. DIEFENDERFER III

Mr. WARNER. Mr. President, on the calendar just acted upon by the Senate was the nomination of Mr. Diefenderfer, a man in whom I have tremendous confidence. I am very pleased to see that the Senate has acted unanimously on his nomination to be the Deputy at the Office of Management and Budget. He will be a real workhorse for Mr. Darman. I am de-

lighted to add my vote of approval to that.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ASYLUM FOR VIETNAMESE REFUGEES

Mr. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Concurrent Resolution 26.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the resolution from the Senate (S. Con. Res. 26) entitled "Concurrent resolution urging first asylum countries of the Association of Southeast Asian Nations (ASEAN) to reinstate the practice of providing refuge to all asylum-seekers from Vietnam, and for other purposes", do pass with the following amendments:

Strike out all after the resolving clause, and insert:

That (a) it is the sense of the Congress that—

(1) ASEAN first asylum countries should reaffirm the practice of providing adequate refuge for all Vietnamese asylum-seekers, while carrying out the screening of such individuals;

(2) early access should be given to the United Nations High Commissioner for Refugees (UNHCR) to provide humane care and protection to such asylum-seekers;

(3) no repatriation of Vietnamese asylum-seekers should occur until a strong and effective internationally approved mechanism is in place to guarantee that such asylum-seekers will be returned in conditions of safety and dignity and will not be subjected to persecution in any form;

(4) given Vietnamese attitudes toward illegal departure, forced repatriation of refugees to Vietnam should not be considered a viable option;

(5) continuing efforts should be made to improve the screening program of Laotian asylum-seekers in Thailand;

(6) the United States should remain committed to a generous and humane Southeast Asian refugee resettlement policy; and

(7) the United States should urge its Western allies to implement or continue generous and humane Southeast Asia refugee resettlement policies.

(b) For purposes of this resolution—

(1) the term "ASEAN" means the Association of Southeast Asian Nations; and

(2) the term "ASEAN first asylum countries" includes any country which is a member of the ASEAN group of countries and which is the first to receive an individual seeking asylum.

Amend the preamble so as to read:

Whereas the refugee crisis in Southeast Asia remains unresolved and large numbers of refugees continue to flee from Vietnam, Laos, and Cambodia;

Whereas, although Hong Kong and ASEAN first asylum countries are to be commended for their past actions on behalf

of refugees in the region, specifically for providing, beginning in 1975, temporary refuge for hundreds of thousands of Indochinese asylum-seekers, concerns remain that all asylum-seekers arriving in Hong Kong and in ASEAN member countries be provided refuge;

Whereas, in June 1989, the United Nations will convene the International Conference on Indochinese Refugees in Geneva, Switzerland;

Whereas representatives of the ASEAN member countries, the United States, Canada, Australia, Hong Kong, the European Community, Japan, Vietnam, Laos, and other interested and affected countries gathered on March 7-9, 1989, in Kuala Lumpur, Malaysia, for the Preparatory Meeting for the International Conference on Indochinese Refugees;

Whereas the countries represented at the Preparatory Meeting unanimously adopted a draft declaration and comprehensive plan of action to be presented for ratification at the June United Nations Conference in Geneva;

Whereas the draft declaration agreed to by all countries present at the meeting in Kuala Lumpur includes provisions for region-wide screening of asylum-seekers and for the encouragement of voluntary repatriation under the auspices and monitoring of the United Nations High Commissioner for Refugees (UNHCR) of persons determined not to be refugees;

Whereas the ongoing program in Thailand for the screening of Lao asylum-seekers has had major and continuing problems;

Whereas the ASEAN member countries have announced that all asylum-seekers from Vietnam arriving in ASEAN countries on or after March 14, 1989, will be screened to determine their refugee status; and

Whereas the Socialist Republic of Vietnam has demonstrated its hostility to those leaving Vietnam illegally and, in particular, to those refusing to return to Vietnam voluntarily; Now, therefore, be it

Amend the title so as to read: "Concurrent resolution urging first asylum countries of the Association of Southeast Asian Nations (ASEAN) to reaffirm the practice of providing refuge to all asylum-seekers from Vietnam, and for other purposes."

Mr. BYRD. Mr. President, I move that the Senate concur in the amendments of the House en bloc.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote en bloc by which the Senate concurred in the amendments of the House en bloc.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNIVERSITY OF MARYLAND'S AGING PROGRAM PROVIDES MODEL FOR NATION

Mr. MATSUNAGA. Mr. President, as chairman of the Labor and Human Resources Committee's Subcommittee on Aging and an advocate of preventive health care, I rise today to commend the Adult Health and Development Program at the University of Maryland. This unique program serves

as a catalyst to unify a diverse group of individuals who are working together toward a common goal: increased quality of life and a better sense of well-being for older Americans.

There is growing concern over the inflated cost of health care as the number of people age 65 and older continues to rise. Data suggest that a large portion of Medicare expenditures are related to care provided during the last 2 years of a person's life. In 1984, the largest portion of elderly health care expenses were hospital related and, of the total expenditures, two-thirds were covered by Medicare and Medicaid. It is this astronomical cost to the elderly that dictates the need for intervention.

Preventive health care, including health promotion and education programs, is an appropriate way to extend the health and productivity of older members in our society. The establishment of programs such as the University of Maryland's may be one alternative and cost-effective way to reduce Medicare and Medicaid expenditures in the future. Health promotion programs enable older persons to reside in their own homes rather than in costly institutions.

In my own State of Hawaii, two programs are currently being developed at the University of Hawaii which address the health care needs of older citizens. The Elderly Education for Self-Care Program will teach and train older adults effectively to improve their current health practices and the Mental Health Promotion for Elderly Project will provide valuable information on the services available to the elderly without the social stigmas and prejudices commonly associated with welfare programs. Both Services will provide guidance to the older adults of Hawaii in adopting a healthful lifestyle and a more positive attitude toward life.

The Adult Health and Development Program transforms theory and knowledge into practice. Through the intergenerational, intercultural, and interracial environment provided, results are twofold: older adults improve their health and life satisfaction while sharing their experiences with their younger friends and each other.

Mr. President, I ask unanimous consent that an article entitled, "AHDP: Toward Developing a National Network to Promote Health and Wellness," be printed in the RECORD. This article, written by Herbert Paul Weiss, describes how the 1-on-1 interactions between a student and older member, through tailored activity programs, result in physical, social and psychological benefits for both old and young alike.

Mr. President, the University of Maryland program can serve as a

model for other institutions to follow in developing similar programs.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AHDP: TOWARD DEVELOPING A NATIONAL NETWORK TO PROMOTE HEALTH AND WELLNESS

Over thirty years ago, Dan Leviton, graduate student, met Professor Warren R. Johnson at the University of Maryland, located in College Park, Maryland. Professor Johnson was a visionary and pioneer in the field of health education and human sexuality. He was the founder and director of the Children's Health and Development Clinic (CHDC). The purposes of this clinic was to promote positive body image and psychomotor functioning of children, especially those with developmental problems. Activity and health education were combined in this revolutionary program to promote normal development in the young participants.

Professor Johnson became advisor, mentor, friend, and later colleague to Leviton. His philosophy of the CHDC and comprehensive view of the world would later help to lay the foundation for the development and implementation of the Adult's Health and Development Program. He also assisted Leviton in choosing his dissertation topic in the area of death and dying. This made both Professor Johnson and Leviton pioneers in their respective unconventional fields . . . sexuality and death and dying.

The association with Professor Johnson launched Leviton into a career as death and dying educator and thanatologist. His course on death and dying became one of the most popular classes at the University of Maryland in the 70's and 80's . . . and most importantly, the Adult's Health and Development Program (AHDP) came to life.

In 1972, Leviton established the AHDP at the University of Maryland. He credits his seven years of involvement with the CHDC and his interest in death and dying to developing the program. The philosophy of the AHDP is to bring a diverse group (young, old, white, non-white, Jew, gentile, Hispanic, Asian, healthy, and disabled)—together to work toward common goals and create shared experiences. Leviton believes strongly that economic deprivation and global conflicts can often pit segments of society against each other. The AHDP can be seen as one means to eliminate social stereotypes and scape-goating.

PROGRAM PROFILE

The AHDP is part of the College of Physical Education, Recreation, and Health and has a loose working relationship with The Center on Aging. The AHDP is truly interdisciplinary in focus in that its program staff (faculty and students) are affiliated with the disciplines of physical education, recreation, health education, human development, psychology, and education. Students are able to earn university credit for their participation in the program and often volunteer for several semesters. Medical students can also receive elective credits through enrollment. Community volunteers are also involved in this program. It is not unusual for 90 volunteers to participate in a semester. The average age of the program staff is 23 years with the youngest having been 14 years old.

The number of older adult members who participate in the AHDP varies, usually from 45 to 90, which tends to remain consistent over time. The average age of these

individuals is 74 years. Diversity could be the appropriate description of these older adults. Over 33 percent of the participants are institutionalized patients residing at a Veterans' Administration medical facility; about 25 percent are Hispanic community residents, while the remainder are black, white, and Asian, residing in the community. Most of the participants residing in the institutional setting are male, while two-thirds of those individuals residing in the community are female. The family income of these individuals is bi-modal, that is, about 33 percent reported income less than 7,000 annually, while 33 percent reported income over \$20,000 annually. Health status is as diverse as race, income, and nationality. Some have been afflicted with Alzheimer's Disease, cancer, obesity, arthritis, Parkinson's Disease, diabetes, or are recovering from bypass surgery and cerebrovascular stroke. There are others who are physically healthy and active. Finally, many of these individuals have psychiatric problems such as uni-polar and bi-polar depression and schizophrenia.

The cornerstone of the AHDP is the pairing of program staff with an older adult. Both learn from this reciprocal interaction. The program staff bring their professional knowledge and expertise to the older individual and assess their special needs to help plan for their activity in the program. The older adults bring their life experience to the young program staff. They have experienced the world war, the Great Depression, the Korean conflict, intimidation of the Ku Klux Klan, and repression in Latin America. These individuals have survived to share their story and are repositories of history. They can share their long experience and be helpful to the program staff in solving their personal problems.

A TYPICAL SATURDAY

The AHDP program consists of nine programs scheduled on Saturday during a school semester. Each Saturday, from 8:00 a.m. to 8:30 a.m., the Group Leaders meet to discuss organization programs, mix-matched members, and program scheduling. From 8:30 a.m. to 9:30 a.m., program staff receive training on various topics related to the aging process. Topics at these sessions may include activity disengagement theories, physical fitness, safety, intimacy and sexuality. Organic Brain Syndrome, psychosocial stress, etc. After the presentation of these topics, staff break into small groups to translate the concepts they have learned to their experience with the older adult with whom they are paired during the program. This training feature is not fixed in stone but can be changed, through program staff evaluation and insight from the director, associate director, consultants, and group leaders.

At 9:30 a.m., the older adults arrive on the college campus. They usually go with their assigned program staff member into either a high or low physical fitness group for stretching, warm-up, and social activity. Others not interested in this can immediately indicate the activity which they enjoy. Activities can include a sing-a-long, aerobic activity class, dance, or yoga. Or it might be weight training, bowling, swimming, walking, floor tennis, trampolining, table tennis, etc. These activities are planned to promote physical fitness and fun for the older adult.

Program staff assess the older * * * create a program of activities which may be beneficial in addressing the physical, emotional, and spiritual needs of the individual. Once

the plan is put into action, it is evaluated and modified as necessary.

At 11 a.m., the health education hour begins. The director, a guest speaker, or program staff may discuss these topics; predictors of life satisfaction and successful aging; coping with stress, medical problems associated with aging, drug interaction and side-effects; recreation and leisure; osteoporosis; and finally, grief and bereavement. During this segment, special topics may be presented to the Hispanic, participants through an interpreter. The health education series is totally optional. The older adults can continue to participate with their physical activities if they choose. During some semesters, there is an option of joining a growth and awareness group led by a doctoral student from the Department of Psychology.

At noon, lunch is served in a common room. This aspect of the program, along with the health education hour and the physical activities with a friend, promote sharing among the young and old. After the older adults leave the campus, the program staff meet again to discuss the day's activities, successes or problems, etc. This meeting ends at 1:30 p.m.

The AHDP is present and future oriented. It promotes wellness through its activity program and health education segments. Theory and knowledge are translated into practice. Intervention is initiated if a program participant needs assistance. Support can be provided to the individual by their assigned program staff member. Finally, rehabilitation is built into the program. Those participants recovering from physical afflictions can work with trained staffing.

Play and activity are important ingredients that will affect the health and well-being of people . . . that is, both the older adult and the young program staff benefit from participation in the AHDP.

THE FUTURE: TOWARD A NATIONAL NETWORK

While an official academic course, the AHDP receives no funding from the University of Maryland. Older adults are asked to pay \$50.00 per semester; however, no one is ever denied access to the program. Partial and full scholarships are available to those in financial need.

Funding for the continued operation of the program is also received through the rental of *Smiles*, a film that describes the program, and revenues from workshops. C&P Telephone, Xerox, Geico Insurance Company, and the Washington Redskins Alumni Association are a sampling of those corporations that are represented on the program's Board of Directors. This Board continues to assist the AHDP program in fund raising.

In 1984, the AHDP camp concept was developed to finance the existing program and to provide a model for the establishment of a National Network Plan. This camp is a four to seven day program modeled after the campus AHDP program. Wellness, exercise, health promotion, and fun are the main features of this camp which caters to those individuals 50 years and older.

Many organizations are examining the AHDP and its effect on the elderly. Some say that it can delay institutionalization. Others see it as a way to provide the older adult participants with more control of their lives . . . and organizations would like to see the AHDP program implemented nationally. Leviton states that the Public Health Service is very interested in integrating the program into their national network of Community Health Centers. The Ameri-

can Association of Retired Persons has encouraged submission of a proposal to develop the AHDP program at other universities and colleges, partially supported by camps in their community. Even politicians are noticing the potential of this national network. Former Congressman Paul G. Rogers who served as Chairman of the U.S. House Subcommittee on Health and the Environment and Congressman Steny Hoyer (MD) have publicly supported the AHDP national network concept.

Leviton has certainly been in the forefront of the early movements of death education and health promotion. Through his expertise in these two areas, determination and vision, he continues to strive to promote dignity and well-being of the elderly through the development of the AHDP national network.

For further information concerning the AHDP program, contact Dave Leviton, Ph.D., University of Maryland, Adult's Health and Development Program, College Park, MD 20742 (301) 454-3295.

ORDERS FOR THURSDAY, JUNE 8, 1989

RECESS UNTIL 11 A.M. AND MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m., Thursday, June 8, 1989, and that following the time of the two leaders there be a period for morning business not to extend beyond 12 o'clock noon with Senators permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION H.R. 1722

Mr. BYRD. Mr. President, I ask unanimous consent that at 12 noon on tomorrow, Thursday, June 8, 1989, the Senate proceed to the consideration of Calendar Order No. 77, H.R. 1722, the natural gas deregulation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 11 A.M. TOMORROW

Mr. MATSUNAGA. Mr. President, if the distinguished Republican leader has no further business, and if no Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess until 11 a.m., Thursday, June 8, under the previous order.

There being no objection, the Senate, at 8:29 p.m., recessed until Thursday, June 8, 1989, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate June 7, 1989:

DEPARTMENT OF COMMERCE

JANICE OBUCHOWSKI, OF VIRGINIA, TO BE ASSISTANT SECRETARY OF COMMERCE FOR COMMUNICATIONS AND INFORMATION, VICE ALFRED C. SIKES, RESIGNED.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

MICHAEL J. ASTRUE, OF MASSACHUSETTS, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, VICE MALCOLM M. B. STERRETT, RESIGNED.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SHERRIE SANDY ROLLINS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE HARRY K. SCHWARTZ, RESIGNED.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RICHARD HARRISON TRULY, OF TEXAS, TO BE ADMINISTRATOR OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, VICE JAMES C. FLETCHER, RESIGNED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

ROY M. GOODMAN, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 1994, VICE C. DOUGLAS DILLON, TERM EXPIRED.

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE.

ARMY

To be lieutenant colonel

DAVID A. DECKER, ~~xxx-xx-xx~~.

ARMY NURSE CORPS

To be major

DENNIS M. MURPHY, ~~xxx-xx-xx~~.

MEDICAL CORPS

To be major

NANCY J. HUTNAK, ~~xxx-xx-xx~~
KENNETH E. RESSOR, ~~xxx-xx-xx~~
WILLIAM E. SHIELDS, ~~xxx-xx-xx~~
MARTIN H. TIEVA, ~~xxx-xx-xx~~
IRENE I. YEVICH, ~~xxx-xx-xx~~

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICERS IDENTIFIED WITH AN ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE.

ARMY

To be major

*BILLY J. FREEBORN, ~~xxx-xx-xx~~.

CHAPLAIN CORPS

To be major

FRANK J. BRUNING, ~~xxx-xx-xx~~
*LARRY J. GOODWILL, ~~xxx-xx-xx~~
BERRIS D. SAMPLES, ~~xxx-xx-xx~~

MEDICAL CORPS

To be major

FRANK H. JAMES, ~~xxx-xx-xx~~
KENNETH E. RESSOR, ~~xxx-xx-xx~~
TIMOTHY W. STARCK, ~~xxx-xx-xx~~

IN THE ARMY

THE FOLLOWING NAMED OFFICERS, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN ACCORDANCE WITH SECTION 624, TITLE 10, UNITED STATES CODE.

ARMY

To be colonel

CHARLES C. ABERCROMBIE, ~~xxx-xx-xx~~
JOSEPH T. ADINARO, III, ~~xxx-xx-xx~~
STANLEY E. AKINS, ~~xxx-xx-xx~~
ROBERT J. ALBERTAZZI, ~~xxx-xx-xx~~
DAVID C. ALLBEE, ~~xxx-xx-xx~~
JAMES D. ALLEN, ~~xxx-xx-xx~~
JOSE M. ALVAREZ, JR., ~~xxx-xx-xx~~
MICHAEL A. ANASTASIO, ~~xxx-xx-xx~~
DELOS W. ANDERSON, ~~xxx-xx-xx~~
PHILLIP R. ANDERSON, ~~xxx-xx-xx~~
TERRY R. ANDERSON, ~~xxx-xx-xx~~
WALTER S. ANDERSON, ~~xxx-xx-xx~~
GARY F. ANDREW, ~~xxx-xx-xx~~
ARCHIE D. ANDREWS, JR., ~~xxx-xx-xx~~
DAVID K. ANDROFF, ~~xxx-xx-xx~~
JOSEPH W. ARBUCKLE, ~~xxx-xx-xx~~
JAMES R. ARMSTRONG, ~~xxx-xx-xx~~
GORDON F. ATCHESON, ~~xxx-xx-xx~~
ROBERT B. BAILEY, ~~xxx-xx-xx~~
JAMES T. BAIRD, ~~xxx-xx-xx~~
DOUGLAS R. BAKER, ~~xxx-xx-xx~~
ROBERT V. BAKER, JR., ~~xxx-xx-xx~~
JAMES F. BALD, JR., ~~xxx-xx-xx~~
ROBERT H. BALDWIN, JR., ~~xxx-xx-xx~~
JUSTIN G. BALLOU, III, ~~xxx-xx-xx~~

RONALD K. BANCROFT, ~~xxx-xx-xx~~
RAYMOND A. BARBEAU, ~~xxx-xx-xx~~
JAMES F. BARBER, ~~xxx-xx-xx~~
MARK Q. BARBOUR, ~~xxx-xx-xx~~
TERRANCE D. BARCELLOS, ~~xxx-xx-xx~~
JAMES B. BARTHOLOMEES, JR., ~~xxx-xx-xx~~
DENNIS A. BASSETT, ~~xxx-xx-xx~~
CARL R. BAXLEY, ~~xxx-xx-xx~~
DAVID E. BEAMAN, ~~xxx-xx-xx~~
JAMES W. BEAUCHAMP, ~~xxx-xx-xx~~
LAWRENCE J. BECKER, II, ~~xxx-xx-xx~~
JAN D. BEER, ~~xxx-xx-xx~~
RONALD J. BENICK, ~~xxx-xx-xx~~
JAMES H. BENNETT, JR., ~~xxx-xx-xx~~
ALBION A. BERGSTROM, ~~xxx-xx-xx~~
CLIFFORD BERNATH, ~~xxx-xx-xx~~
FREDERICK S. BERRY, ~~xxx-xx-xx~~
RONALD F. BEYER, ~~xxx-xx-xx~~
ALAN D. BISKEY, ~~xxx-xx-xx~~
FREDERICK H. BLACK, ~~xxx-xx-xx~~
NORMAN G. BLACKBURN, ~~xxx-xx-xx~~
STEWART H. BORNHOFF, ~~xxx-xx-xx~~
VICTOR W. BOWSER, ~~xxx-xx-xx~~
ROBERT C. BRAND, ~~xxx-xx-xx~~
GERALD J. BRAUN, ~~xxx-xx-xx~~
WILLIAM H. BRETHORST, ~~xxx-xx-xx~~
CONNIE A. BROWN, ~~xxx-xx-xx~~
ROBERT F. BROWN, ~~xxx-xx-xx~~
ALBERT R. BROWNFIELD, ~~xxx-xx-xx~~
JUDITH A. BROWNING, ~~xxx-xx-xx~~
JAMES D. BRYAN, ~~xxx-xx-xx~~
DOYLE A. BUCK, ~~xxx-xx-xx~~
TONY J. BUCKLEY, ~~xxx-xx-xx~~
EDWARD T. BUCKLEY, JR., ~~xxx-xx-xx~~
ISHMON F. BURKS, ~~xxx-xx-xx~~
JAMES W. BURNS, JR., ~~xxx-xx-xx~~
JULIAN H. BURNS, JR., ~~xxx-xx-xx~~
RODNEY D. BURNS, ~~xxx-xx-xx~~
JAMES M. BURTON, ~~xxx-xx-xx~~
MICHAEL S. BYINGTON, ~~xxx-xx-xx~~
JEROME W. BYRD, JR., ~~xxx-xx-xx~~
KEVIN P. BYRNES, ~~xxx-xx-xx~~
MICHAEL T. BYRNES, ~~xxx-xx-xx~~
JOHN A. CALABRO, JR., ~~xxx-xx-xx~~
PAUL J. CALLEN, ~~xxx-xx-xx~~
RONALD M. CALVERT, ~~xxx-xx-xx~~
GREGORY C. CAMP, ~~xxx-xx-xx~~
JOHN M. CAMPBELL, ~~xxx-xx-xx~~
JOHN D. CARPENTER, ~~xxx-xx-xx~~
WILLIAM L. CARR, III, ~~xxx-xx-xx~~
HARVEY R. CARTER, ~~xxx-xx-xx~~
WILLIAM E. CARTER, ~~xxx-xx-xx~~
WILLIAM L. CARWILE, III, ~~xxx-xx-xx~~
GEORGE W. CASEY, JR., ~~xxx-xx-xx~~
FRANCESCO CATALFAMO, ~~xxx-xx-xx~~
DENNIS D. CAVIN, ~~xxx-xx-xx~~
EDWARD M. CHAMBERLAIN, ~~xxx-xx-xx~~
JAMES R. CHAMBLESS, ~~xxx-xx-xx~~
CHARLES T. CHASE, ~~xxx-xx-xx~~
RONALD J. CHICHEHITTO, ~~xxx-xx-xx~~
WALTER B. CHRIETZBERG, ~~xxx-xx-xx~~
CARL W. CHUN, ~~xxx-xx-xx~~
CHARLES S. CICCOCIELLA, ~~xxx-xx-xx~~
ROBERT T. CLARK, ~~xxx-xx-xx~~
ROBERT B. CLARKE, ~~xxx-xx-xx~~
DENNIS J. CLAUSEN, ~~xxx-xx-xx~~
REGINAL G. CLEMMONS, ~~xxx-xx-xx~~
DENNIS C. CLINE, ~~xxx-xx-xx~~
GARY P. CLUKEY, ~~xxx-xx-xx~~
JULIUS E. COATS, JR., ~~xxx-xx-xx~~
DENNIS C. COCHRANE, ~~xxx-xx-xx~~
ROBERT L. COHEN, ~~xxx-xx-xx~~
THOMAS L. COLEMAN, JR., ~~xxx-xx-xx~~
JACKIE W. COLLEY, ~~xxx-xx-xx~~
CHARLES W. COLLINS, III, ~~xxx-xx-xx~~
PETER J. CONDON, ~~xxx-xx-xx~~
STEPHEN C. CONRAD, ~~xxx-xx-xx~~
JACK D. CONWAY, ~~xxx-xx-xx~~
ROBERT L. COOCH, JR., ~~xxx-xx-xx~~
DENNIS R. COOPER, ~~xxx-xx-xx~~
JAMES E. COTTERMAN, JR., ~~xxx-xx-xx~~
ROBERT L. COWLES, ~~xxx-xx-xx~~
DOUGLAS E. COX, ~~xxx-xx-xx~~
MICHAEL J. COX, ~~xxx-xx-xx~~
JAMES D. CRAIG, ~~xxx-xx-xx~~
JOHN E. CRAIG, ~~xxx-xx-xx~~
WILLIAM J. CRAVEN, ~~xxx-xx-xx~~
HOWARD W. CRAWFORD, JR., ~~xxx-xx-xx~~
STERLING B. CRAWFORD, JR., ~~xxx-xx-xx~~
CHAUNCEY F. CRENSHAW, ~~xxx-xx-xx~~
LAMAR C. CROSBY, ~~xxx-xx-xx~~
DENNIS D. CROSS, ~~xxx-xx-xx~~
JAMES B. CROSS, ~~xxx-xx-xx~~
RICHARD T. CRUZ, ~~xxx-xx-xx~~
PAUL E. CULLINANE, JR., ~~xxx-xx-xx~~
JOSEPH J. CURRIN, III, ~~xxx-xx-xx~~
HARRY A. CURRY, ~~xxx-xx-xx~~
PETER M. CUVIELLO, ~~xxx-xx-xx~~
MICHAEL D. DALLAS, ~~xxx-xx-xx~~
FLOYD E. DALLY, ~~xxx-xx-xx~~
RICHARD E. DANDREA, ~~xxx-xx-xx~~
STEVEN A. DASHER, ~~xxx-xx-xx~~
PHILIP J. DAVID, ~~xxx-xx-xx~~
EUGENE J. DAVIS, ~~xxx-xx-xx~~
JOHN E. DAWLEY, JR., ~~xxx-xx-xx~~
SAMUEL L. DELOACH, ~~xxx-xx-xx~~
DENNIS C. DEMING, ~~xxx-xx-xx~~
JOEL C. DENNEY, ~~xxx-xx-xx~~
JEROME L. DENTE, ~~xxx-xx-xx~~
LAWRENCE L. DERKS, JR., ~~xxx-xx-xx~~
MACARTHUR DESHAZER, ~~xxx-xx-xx~~
KENNETH A. DEUTSCH, ~~xxx-xx-xx~~

EDWARD G. DEVOS, JR. xxx-xx-xxxx
 WILLIAM P. DICKENS, JR. xxx-xx-xxxx
 THOMAS R. DICKINSON xxx-xx-xxxx
 JAMES M. DICKSON, JR. xxx-xx-xxxx
 MICHAEL DIFPLEY xxx-xx-xxxx
 JONATHAN B. DODSON xxx-xx-xxxx
 DANIEL A. DOHERTY xxx-xx-xxxx
 MICHAEL J. DOLAN, III xxx-xx-xxxx
 JAMES E. DOWNEY xxx-xx-xxxx
 JOHN M. DOWNEY xxx-xx-xxxx
 ROBERT M. LUDLEY xxx-xx-xxxx
 ANDREW L. DULL xxx-xx-xxxx
 LAYTON G. DUNBAR xxx-xx-xxxx
 JOHN P. DUNIGAN xxx-xx-xxxx
 GEORGE R. DUNN, JR. xxx-xx-xxxx
 ARTHUR P. DUPAY xxx-xx-xxxx
 DAVID R. DURR xxx-xx-xxxx
 ANTHONY DURSO xxx-xx-xxxx
 JOHN W. DYE xxx-xx-xxxx
 HERBERT D. DYER xxx-xx-xxxx
 ERIC G. ECKHARDT xxx-xx-xxxx
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 MICHAEL A. ELLICOTT xxx-xx-xxxx
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 DAVID M. EMLING xxx-xx-xxxx
 JOSEPH P. ENGLEHARDT xxx-xx-xxxx
 ROBERT D. ENYEART xxx-xx-xxxx
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 ARTHUR T. ESTRADA xxx-xx-xxxx
 MICHAEL K. EVENSON xxx-xx-xxxx
 MARK W. EWING xxx-xx-xxxx
 FRANK FARKAS xxx-xx-xxxx
 CARL E. FELLERS xxx-xx-xxxx
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 DANIEL M. FERZAN xxx-xx-xxxx
 BERNARD B. FERGUSON xxx-xx-xxxx
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 JAMES M. FISHER xxx-xx-xxxx
 EDWARD A. FITZSIMMONS, JR. xxx-xx-xxxx
 WILLIAM J. FLAVIN xxx-xx-xxxx
 JAMES M. FLETCHER xxx-xx-xxxx
 ROBERT L. FLOYD, II xxx-xx-xxxx
 ANDREW C. FOLLMER, II xxx-xx-xxxx
 CHARLES K. FORD xxx-xx-xxxx
 GROVER M. FORD xxx-xx-xxxx
 BRENDA T. FORMO xxx-xx-xxxx
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 ALAN A. FOX xxx-xx-xxxx
 PETER C. FRANKLIN xxx-xx-xxxx
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 DENNIS M. FRISBEE xxx-xx-xxxx
 JAMES L. FRY xxx-xx-xxxx
 JOSEPH A. FUCO xxx-xx-xxxx
 JEFFREY E. FURBANK xxx-xx-xxxx
 EUGENE A. FUZY xxx-xx-xxxx
 EVAN R. GADDIS xxx-xx-xxxx
 BRUCE R. GARDNER xxx-xx-xxxx
 WARREN D. GARLOCK xxx-xx-xxxx
 STEPHEN F. GARRETT xxx-xx-xxxx
 RAYMOND A. GAUGER xxx-xx-xxxx
 JEFFREY W. GAULT xxx-xx-xxxx
 DONNIE L. GEORGE xxx-xx-xxxx
 HAROLD J. GERBER xxx-xx-xxxx
 RICHARD L. GERDING xxx-xx-xxxx
 CHARLES B. GISSON xxx-xx-xxxx
 CHARLES M. GLAVE xxx-xx-xxxx
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 WILLIAM S. JUSTUS xxx-xx-xxxx
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 LARRY J. LUST xxx-xx-xxxx
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 PETER F. MANZA xxx-xx-xxxx
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 DANIEL O. MASON xxx-xx-xxxx
 LOUIS G. MASON xxx-xx-xxxx
 MICHAEL A. MASTRANGELO xxx-xx-xxxx
 WILLIAM E. MATHEWS xxx-xx-xxxx
 JOHN W. MAY, JR. xxx-xx-xxxx
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 xx.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 7, 1989:

DEPARTMENT OF STATE

DOUGLAS P. MULHOLLAND, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF STATE.

THE JUDICIARY

MICHAEL W. FARRELL, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE DISTRICT OF COLUMBIA COURT OF APPEALS FOR THE TERM OF 15 YEARS.

EXECUTIVE OFFICE OF THE PRESIDENT

WILLIAM M. DIFENDERFER III, OF VIRGINIA, TO BE DEPUTY DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET.

OFFICE OF PERSONNEL MANAGEMENT

CONSTANCE BERRY NEWMAN, OF MARYLAND, TO BE DIRECTOR OF THE OFFICE OF PERSONNEL MANAGEMENT.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.